

REPORT TITLE: Report of the Members' Allowances Independent Review Panel

Meeting:	Corporate Governance and Audit Committee
Date:	31 January 2025
Cabinet Member	N/A – Non Executive Decision
Key Decision Eligible for Call In	No No – If no give reason – Council Function
Purpose of Report To consider the report of the Members' Allowance Independent Review Panel (MAIRP) with a view to making recommendations to Full Council.	
Recommendations That Corporate Governance and Audit Committee: <ol style="list-style-type: none"> 1. Notes the report of the Members' Allowances Independent Review Panel. 2. Recommends that Council approves the recommendations of the Members' Allowances Independent Review Panel (MAIRP) (set out in Appendix A). 	
Reasons for Recommendations Corporate Governance and Audit Committee is responsible for making recommendations to the Council on the adoption of, or amendment to, the Members' Allowances Scheme.	
Resource Implications: The recommendations within the report relating to the 2025/26 Members' Allowances Scheme can be managed within overall base budget of the scheme which is currently £1,466,000.	
Date signed off by <u>Executive Director</u> & name Is it also signed off by the Service Director for Finance? Is it also signed off by the Service Director for Legal and Commissioning (Monitoring Officer)?	R Spencer Henshall – 09.01.2025 K Mulvaney – 14.01.2025 S Lawton – 08.01.2025

Electoral wards affected: All

Ward councillors consulted: Not Applicable

Public or private: Public

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

1. Executive Summary

The MAIRP meets to consider and recommend the Members' Allowances Scheme to Council, having regard to evidence received and associated developments that will affect the Scheme. The Panel met in December 2024 and the report of the Panel, including the recommendations for the 2025/26 Members' Allowances Schemes, can be found at Appendix A.

The financial implications arising from the recommendations of the MAIRP can be met from within the existing Members' Allowances base budget.

2. Information required to take a decision

A meeting of the MAIRP took place on 3 December 2024 to consider the Members' Allowances Scheme for 2025/26. The report of the Panel is attached at Appendix A and puts forward recommendations that:

- (i) To continue to apply (when known) the same percentage pay award awarded to officers to the Basic Allowance and Special Responsibility Allowances.
- (ii) The Special Responsibility Allowance paid to Chair of Corporate Governance and Audit Committee be increased from Band E (currently £3,115 per annum) to Band C1 (currently £7,790 per annum).
- (iii) The Special Responsibility Allowance paid to Fostering Panel Members be increased from Band E1 (currently £1,556 per annum) to Band D1 (currently £4,675 per annum).
- (iv) The Special Responsibility Allowance paid to Adoption Panel Members be increased from Band E1 (currently £1,556 per annum) to Band E (currently £3,115 per annum).

3. Implications for the Council

3.1 Council Plan

Not Applicable

3.2 Financial Implications

Should the above-mentioned recommendations be agreed and implemented the costs would be met from within the existing Members' Allowances budget.

3.3 Legal Implications

3.4 Other (eg Risk, Integrated Impact Assessment or Human Resources)

Not Applicable

4. Consultation

The Allowances Panel have been consulted on the contents of the attached report and agree it as a correct record of their deliberations and recommendations.

5. Engagement

The Panel received representations from Group Leaders/ representatives; Councillors in relation to the role of Chair of Corporate Governance and Audit Committee, Fostering and Adoption Panel and from the Service Director for Legal and Commissioning and the Head of Risk.

6. Options

6.1 Options considered

6.2 Reasons for recommended option

Recommendations are in line with the terms of reference of the MAIRP.

7. Next steps and timelines

Following consideration by the Corporate Governance and Audit Committee, this report will be referred for consideration by Full Council at its meeting on 12 February 2025.

8. Contact officer

Leigh Webb, Head of Governance
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9. Background Papers and History of Decisions

N/A

10. Appendices

Report of Members' Allowances Independent Review Panel

11. Service Director responsible

Samantha Lawton, Service Director, Legal and Commissioning.

Report of

Kirklees Council Members' Allowances Independent Review Panel

3 December 2024

Leigh Webb
Head of Governance
Civic Centre 3,
Huddersfield, HD1 2TG
01484 221000

1 Panel Membership

The Members of the Independent Review Panel are as follows:

Ian Brown (Chair)
Lynn Knowles
Fiona Weston

2 Terms of Reference

The Panel's Terms of Reference are:

- (a) To advise the Council on what would be the appropriate level of remuneration for Councillors having regard to the:
 - Roles Councillors are expected to fulfil
 - Varying roles of different Councillors
 - Practice elsewhere and other Local Authorities.
- (b) To consider schemes of Members' Allowances for Town and Parish Councils as and when required.
- (c) To make recommendations and provide advice to the Council on any other issues referred to the Panel by regulation or by the Council.
- (d) The Council retains its power to remove a discredited Panel Member.
- (e) The Panel can appoint its Chair from amongst its Members.

3 Constitutional Issues

(a) Term of Office

It was agreed that the current Panel membership be retained and that all relevant terms of office be renewed until December 2025.

(b) Election of Chair of Independent Review Panel

Ian Brown was elected Chair of the Independent Review Panel.

4 Members' Allowances Independent Review Panel Report

The report of the Members' Allowances Independent Review Panel, including the Members' Allowances Independent Review Panel's recommendations for the 2025/26 Members' Allowances Schemes can be found at Appendix A.

Report produced on behalf of the Members' Allowances Independent Review Panel by Leigh Webb, Head of Governance, 3 December 2024.

MEMBERS' ALLOWANCES INDEPENDENT REVIEW PANEL(MAIRP) REPORT

3 December 2024

Background

In approving the Members' Allowances Scheme for 2024/25 at a meeting of Council on 16 October 2024, it was recommended that the MAIRP be reconvened and asked to consider the following:

- (i) For the 2025/26 Scheme, consider a review of the Role Profiles and SRAs paid to members of Fostering Panel, Adoption Panel and Chair of Corporate Governance and Audit Committee.
- (ii) For the 2025/26 Scheme, consider a review of the political group bandings within the Members' Allowances Scheme.

Members Allowances Independent Review Panel Meeting

The MAIRP met on 3 December to consider the Members' Allowances Scheme for 2025/26 and in addition, received representations from the following Officers and Councillors in relation to:

Chair of Corporate Governance and Audit Committee

Samantha Lawton – Service Director Legal and Commissioning

Martin Dearnley – Head of Risk

Councillor John Taylor – Chair of Corporate Governance and Audit Committee

Councillor James Homewood – Member of Corporate Governance and Audit Committee and previous Chair

Political Group Bandings

Councillor John Taylor – Deputy Leader of the Conservative Group

Councillor Carole Pattison – Leader of the Council and Leader of the Labour Group

Councillor John Lawson – Leader of the Liberal Democrat Group

Councillor Andrew Cooper – Leader of the Green Group

Fostering Panel

Anna Gledhill – Head of Sufficiency

Councillor Donna Bellamy – Fostering Panel Member

Adoption Panel

Christine Bennett – Head of Assessment & Intervention & Disabled Children's Service

Councillor Richard Smith – previous Adoption Panel Member

Evidence

The MAIRP considered the following:

Chair of Corporate Governance and Audit Committee

The Panel received submissions in relation to the remit of the Committee and the role of the Chair. An understanding and knowledge of financial matters, audit processes and treasury management policy are key elements to ensure the committee is chaired effectively. The role of the Chair is critical to ensure that the Committee offers challenge and oversight in respect of internal and external audit arrangements of the Council.

The Committee meet approximately six times a year and looks at both internal and external audit reports. Reports are also received in relation to Treasury Management reports, Health & Safety, Emergency Planning, Customer Complaints and the Council's Corporate Risk Register. The Committee also looks at the governance of the Authority including the Constitution, Delegations, Members Allowances and the Annual Governance Statement.

The Committee can, and do, challenge the Head of Audit and his team and ask officers to attend the Committee to question them in relation to Internal Audit report findings and hold them accountable for any actions that have not been complied with. The Committee has introduced a tracker system to track actions (which have been RAG rated) in order to monitor recommendations and actions. The Chair confirms the agenda for the Committee and works to ensure that items are scheduled in an efficient and timely manner. The current Chair has implemented an informal session prior to the Committee meeting taking place to update on the progress of actions contained within the tracker.

The Panel acknowledges that there needs to be a breadth of knowledge and understanding across all Council departments. Whilst recognising that there can be overlap, it is important to distinguish between the Council's audit function and scrutiny function. The role of the Committee is to seek assurance that the council's financial reporting, internal controls, governance, and risk management are effective and can be relied upon by councillors and residents. It was noted that the role of the Committee had become increasingly important in light of the recent financial challenges faced by the Council.

The Chair also attends Yorkshire and Humber regional meetings.

The Panel recognises the importance of the role of Chair of Corporate Governance and Audit Committee and after considering the representations made at the meeting recommends that the Special Responsibility Allowance should be increased to Band C1.

Political Group Bandings

The Panel heard from Group Leaders or their representative about Political Group Bandings and the Special Responsibility Allowances paid.

One Group suggested that rather than having different bandings a fixed rate be paid for the role with an additional amount of allowance paid for each Councillor within the group. The rationale for this suggestion was to avoid a cliff edge if a

group lost members ensuring that any payments reflected the actual numbers within Groups.

During discussion of the issues of bandings, all other groups felt that the current bandings and SRAs were fit for purpose, fair and provided provision for small groups whilst recognising there had been a period of group fluidity. It was welcomed that any increase in allowances is now linked to the same percentage awarded to Officers.

Having heard the representations and noting the current political composition of the Council, the Panel finds that the current banding system is a robust and effective way of reflecting group size and recommends that the bandings and SRAs be left unaltered at the present time.

Fostering Panel

The Panel received representations in relation to the role of a Fostering Panel Member, who have an independent role on the Fostering Panel.

The Panels usually meet approximately 3 times per month with each Fostering Panel lasting a full day. Prior to attendance, Members have a vast amount of case notes to read, with a full day's reading for each Fostering Panel. The Panel were made aware that one current member of the Fostering Panel has recently sat on 5 Panels in a month hearing four or five cases at each Panel.

It was explained that as part of the role each Panel member makes notes/suggests questions which are typed into Sharepoint for the Chair to review and are assigned questions to ask at the Panel.

The Fostering Panel will hear different types of cases, including kinship carers, reviews, resignation, non-family related cases and will then make recommendations to the Agency Decision Maker who makes the final decision.

The Panel recognised the amount of reading time required for each Panel along with the sensitivity and importance of the role and the volume of Panel meeting held and recommends increasing the Special Responsibility Allowance to Band D1.

Adoption Panel

The Panel received representations in relation to the role of an Adoption Panel Member, who have an independent role on the Adoption Panel.

The Adoption Panel meets approximately every six weeks and the Panel assess people who want to adopt and whether they should be matched with a particular child.

It was reported that some cases are more complex than others and probing questions need to be asked. Adoption Panel Members have to read case notes before meetings, which can take half a day of reading for anything from two to six cases per Panel.

The Panel makes recommendations to the Agency Decision Maker who makes the final decision.

The Panel recognised the amount of reading time required for each Panel along with the sensitivity and importance of the role and recommends increasing the Special Responsibility Allowance to Band E.

The Panel would like to express its thanks to everyone who attended the meeting and contributed through their submissions.

Recommendations

- (i) To continue to apply (when known) the same percentage pay award awarded to officers to the Basic Allowance and Special Responsibility Allowances.
- (ii) The Special Responsibility Allowance paid to Chair of Corporate Governance and Audit Committee be increased from Band E (currently £3,115 per annum) to Band C1 (currently £7,790 per annum).
- (iii) The Special Responsibility Allowance paid to Fostering Panel Members be increased from Band E1 (currently £1,556 per annum) to Band D1 (currently £4,675 per annum).
- (iv) The Special Responsibility Allowance paid to Adoption Panel Members be increased from Band E1 (currently £1,556 per annum) to Band E (currently £3,115 per annum).