

Report of The

**Kirklees Council
Members' Allowances
Independent Review
Panel**

13 and 20 November 2015

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1 Panel Membership

The Members of the Independent Review Panel are as follows:

Andrew Taylor (Chair)
Ian Brown
Chris West
Lynn Knowles
Stephen
Thornton
Fiona Weston

The meeting of the Independent Review Panel took place on Friday 13 and Friday 20 November 2015.

The following officers attended the Panel meeting:

Carl Whistlecraft, Head of Governance and Democratic Services
Deborah Nicholson, Business Support Manager
Tish Barker, Governance and Democratic Engagement Officer

2 Terms of Reference

The Panel's Terms of Reference are:

- (a) To advise 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) 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 for a further one year term.

Andrew Taylor – November 2015
Ian Brown – March 2015
Lynn Knowles – September 2015
Stephen Thornton – November 2015
Chris West – September 2015

(b) Election of Chair of Independent Review Panel

Andrew Taylor was re-elected Chair of the Independent Review Panel.

4. Members Allowances Scheme

The last meeting of the Panel took place on 6 November 2014 and its subsequent recommendations were considered by Full Council on 11 March 2015. At the meeting in November 2014 the Panel noted the last full review of the Allowances Scheme was in 2008 and agreed it would be timely to undertake a root and branch review of the Allowances Scheme at its meeting in November 2015.

5. Review of the Allowances Scheme

Since the last review of the scheme the external and internal environment has been transformed, particularly in the context of the changing role and functions of local government and consequently of its elected councillors. These circumstances determined the Panel's decision to undertake a full review of the scheme. In undertaking the review the Panel had regard to the following factors and evidence:

- The legislative framework which governs the scheme.
- The current financial climate and the implications for the specific budget for Members Allowances.
- The recommendations of the Panel since 2009/10.
- The principles underpinning the scheme.
- The suite of role profiles which set out the responsibilities and expectations placed on councillors in carrying out a variety of roles.
- Comparative information from other authorities
- Written evidence from a cross section of councillors and council officers as follows:
 - The Conservative Group in respect of the allowances scheme
 - Cllr David Hall
 - Cllr David Sheard, on behalf of the Labour Group, Cabinet Members and in relation to the role of the Leader of the Council.
 - The Labour Group in respect of the allowances scheme.
 - Cllr Charles Greaves on behalf of the Green and Valley Independent Group.
 - Cllr Nigel Patrick in relation to the Group Business Manager role profile.
- Attendance of the following at the panel meeting to present evidence regarding aspects of the scheme:
 - Cllr Andrew Palfreeman and Cllr Jean Calvert attended the Panel meeting as representatives of the Members' Commission. Cllr Palfreeman in his capacity as Chair and Cllr Calvert as the Member with responsibility for Councillor Development.
 - Cllr Paul Kane attended in his role as a ward councillor.
 - Simon Taylor, Head of Development Management, attended regarding details of planning meetings and the planning Role

Profiles.

- Cllr Andrew Marchington attended on behalf of the Liberal Democrat group.
- Cllr David Sheard attended in his capacity as Leader of the Council.
- Cllr Julie Stewart-Turner attended in her capacity as Chair of Overview and Scrutiny Management Committee
- Cllr Nigel Patrick attended on behalf of the Conservative group
- Cllr Carole Pattison and Cllr Naheed Mather attended on behalf of the Labour group
- Adrian Lythgo, Chief Executive

6. The Strategic Context

The Panel is keen to place their review and findings in the context of a council that is in a period of extensive transition in light of the enormous financial challenges faced. The council's Corporate Plan sets out those challenges along with the changes that will need to be put in place as part of the journey to a New Council by April 2017.

In delivering its vision the council has embarked on developing a very different relationship with the communities it serves. Elected ward councillors are at the heart of this changing relationship. With this in mind the Panel is encouraged by the ongoing work of the cross-party Members Commission whose principal aim is to review and refresh the role of the Kirklees ward councillor. The Commission's work is a crucially important part of the wider journey to a New Council as it seeks to put in place the framework and support that councillors will need to manage the transition. The emerging New Councillor Programme, currently being overseen by the Members Commission, should be seen within this context and is a positive step. The Panel is naturally interested in its progress and outcomes and is anxious to do what it can to facilitate this transition.

The Panel recognises that an important part of delivering the council's vision will involve a detailed strategic consideration of what democracy looks like, and how it operates, in a New Council. The Panel noted that work is currently underway to establish a Democracy Commission, which will carry out such work, and which will inevitably impact on the Panel's work. The Commission will explore important issues such as:

- Voting and the electoral cycle
- Ward size and the number and role of councillors
- Support and remuneration for councillors
- Models of governance and decision making
- The implications of devolution.

The outcomes of the Democracy Commission's work will inevitably have major implications for the wider work of the Members Allowances Panel in the future.

The above mentioned strategic context has been extremely important in guiding the Panel's review of the current scheme. The Panel is very mindful that Kirklees is a council in transition, and as such its findings and recommendations are evidence-led and interim.

7. The Kirklees Members Allowances Scheme

As part of its review the Panel has revisited the fundamental principles underpinning the scheme. In so doing it has considered the Kirklees context, schemes in neighbouring West Yorkshire authorities and evidence from councillors and officers.

The Panel acknowledges that there is merit in considering the circumstances and rates of remuneration set by other local authorities, but is reluctant to be driven by what is taking place elsewhere. The Kirklees scheme has always been acknowledged externally as an exemplar in terms of approach and its underpinning architecture. It has been developed having specific regard to the uniqueness of Kirklees, a council whose recent history shows a trend of no overall political control. Whilst the panel can have no view on the Council's politics, it cannot ignore their effects on the scheme in its deliberations. Such circumstances have governed the focus on role profiles and the current SRA banding approach, all of which have informed the ways in which other local authorities have developed their respective schemes.

The Panel has revisited the core principles of the scheme which were agreed in 2000. The Panel wishes to reaffirm strongly the importance of the following principles, which will continue to be the basis of future design and recommendations:

- **Fair**
- **Transparent**
- **Easy to administer.**

In terms of the architecture of the scheme, the Panel wishes to make specific reference to the following points:

- The ward councillor role should remain as the foundation of the scheme. A “bottom up” approach to scheme design should be a continuing feature.
- The principle of banding should be retained.
- Digital approaches and information technology should continue to be important enablers in supporting councillors to carry out their roles and responsibilities.
- Travel and subsistence within the borough should continue to be included as part of the allowance paid to ward councillors (see below). This point accords with the principle of ease (and therefore cost) of administration.

8. The Kirklees Councillor Role

The Panel has considered in detail the new role profile for a Kirklees councillor produced by the Members Commission. This profile formed the basis of its subsequent discussions and provides the context for evidence received. The role profile and accompanying evidence provide a compelling indication of the ways in which the role of councillor is changing. Specifically the Panel wishes to make reference to the following points:

- The role of the councillor is undergoing significant change and will continue to do so as part of the journey to a New Council. There is

evidence that the role is becoming more complex and workloads are growing. This is likely to continue in the medium term. The Panel accepts that the council is shrinking and reshaping. Councillors are faced with increasing expectations in a digital age alongside the reality of having fewer officers to support them in problem solving and issue resolution within their communities. In the context of difficult decisions there is inevitably a stronger emphasis on the need for councillors to lead the dialogue with their communities. Increasingly this involves explaining the consequences of policy decisions and working with communities to find different solutions where such decisions have significant impact on that community. This is likely to be a continuing feature until such a time as the council is reshaped and is strongly positioned to deliver its vision.

- Whilst it is important to retain the principle that the role has a strong focus on being public service minded, the Panel wishes to revisit the time focus set out at paragraph 2.2 of the scheme. The Panel is not minded to recommend that the role is full time / professional but similarly recognises that current arrangements do not consistently reflect existing or future circumstances. **It is recommended that paragraph 2.2 is revised to reflect such circumstances, thus placing a greater emphasis on responsibility and acknowledging the dynamic, diverse nature of the role. This is reflected in the document attached at Appendix B.**
- Some of the aspirations of the Local Government Act 2000 have not been realised. One of the intentions was to place a greater emphasis on the community leadership role of all councillors, whereby councillors spend the majority of their time within their wards. Freeing up councillor time to carry out this part of their role effectively was predicated on a reduction in the number of meetings that councillors are expected to attend. Based on evidence received it seems that this aspiration has not been fully realised. This is a continuing tension that the council should consider in the context of the wider work of the Democracy Commission. This is particularly important given the emphasis placed on the enabling role of the councillor as set out in the Corporate Plan.
- The Panel has received consistent evidence that raises a number of issues and concerns with regard to the recruitment of the next generation of councillors and their retention. There is clearly a strong wish to attract younger people to stand for election and, more generally, have a diverse group of councillors drawn from the communities they represent. The Panel welcomes the steps that are being taken to put in place pre-candidate support and recommends closer linkages with the LGA's "Be a Councillor" campaign. The Panel advocates that a stronger focus is placed on mentoring for new councillors in the context of the New Councillor programme.
- The Panel reflected deeply on the changing approach to councillor support and development over recent years. The dramatic shift of priority and focus in the context of budget reductions was noted and accepted. Having regards to the issues and challenges set out above the Panel wishes to emphasise the importance of ensuring councillors are effectively supported as their roles change. The New Councillor

Programme, currently being developed in partnership with the LGA, is welcomed.

- As part of its review the Panel has discussed at length the issues of performance and sanction. All councillors, and the wards they represent, are by their nature different. The challenges faced by residents and communities will differ although the quality of the representation they receive should be consistent across the borough, particularly given that all councillors receive the same basic allowance. The broad expectations are set out clearly in the ward profile. The Panel accept that the effectiveness of councillors will ultimately be determined by the local electorate at the ballot box, but feel it is important to restate the importance of councillors consistently carrying out their role. The pre-2000 Attendance Allowance model provided opportunities for sanction and as a tool for political groups to manage performance. Whilst this is not possible legally as part of the current scheme it is nevertheless important that all councillors continue to ensure local residents are aware of the work they are doing on their behalf. It is for this reason that the Panel restates the importance of councillors continuing to complete Annual Reports which are published on the council's website.
- The Panel received representations with regards to the basic ward allowance and the basis on which it is constructed. The Panel explored in some depth separating out travel within the borough as part of the allowance. Whilst acknowledging the points made, particularly by councillors whose wards are outside of Huddersfield, the Panel is not minded to change current arrangements. It is a matter for the council to consider the ways in which there is a reducing expectation that councillors are required to come into Huddersfield as part of fulfilling their duties. This links to the point made above in terms of the volume of meetings. Furthermore, separating travel out would provide an additional administrative burden which is at odds with the core principle of ease of administration.

Secondly, the Panel received evidence in terms of the size, diversity and complexity of electoral wards and the extent to which this should be reflected as part of the allowances paid for the ward role. The Panel is not minded to recommend changes that would see the introduction of a differential rate based on ward-related variables. Such variables would inevitably be the subject of change and consequentially would prove problematic in terms of transparency and ease of administration. The Panel also noted that these questions will most likely be part of the Democracy Commission's remit.

In summary the Panel recognises that the central role of the ward councillor is changing, and has certainly changed dramatically since the last review of the scheme. It is conceivable that the current level of remuneration is a barrier and disincentive to people becoming councillors, although this is not purely an allowances issue. The Panel has undertaken its review at a time when the council is going through a period of transition as it moves towards a New Council. The Panel notes that there are many significant issues relating to the role which remain unclear and unresolved. The longer term vision for democracy in Kirklees, to be determined by the work of the Democracy Commission, will inevitably shape the role and its wider context for the

foreseeable future. The creation of a New Council by April 2017, and its subsequent embedding, is another important variable. **In light of this wider context, the Panel is minded to make an interim recommendation with regards to the ward councillor role whereby the current rate is increased by 3.2% with effect from 1 April 2016.** The Panel undertakes to revisit this recommendation following the completion of the work of the Democracy Commission.

9. Special Responsibility Allowances (SRAs)

The Panel has considered a suite of role profiles relating to SRAs which were refreshed in advance of the review. They have formed the basis of subsequent discussions and provide the context for the evidence received by the Panel.

By way of a general overview the Panel acknowledges the continued importance of recognising special responsibilities within the scheme. Using a banding arrangement to manage special responsibilities is also an important feature that should be retained.

The Panel considered the general number of SRAs in the current scheme and recognised that in the future there may be scope to look at reducing the number. Currently the Panel is satisfied that the current suite of SRAs is relevant and reflective of the roles that need to be carried out in a hung council like Kirklees.

In terms of SRAs generally, the **Panel recommends that all SRAs (unless otherwise stated below) are retained at their current rate and banding.** The Panel undertakes to revisit this recommendation following the completion of the work of the Democracy Commission and the implementation of New Council in April 2017.

A summary of the key issues considered by the Panel, and subsequent specific recommendations, is set out below:

The Leader, Deputy Leader and Cabinet:

The Panel received representations setting out the changing scope of executive leadership in its broadest sense. In particular there is a growing focus on regional working / influencing; difficult and complex decision making; wider briefs for Cabinet members and consequently increased expectations in terms of skills and breadth of knowledge; providing leadership to the council's workforce; partnership and network working, particularly with the business community. As part of discussion the following points were raised which the Panel feel should be considered as part of future work:

- The scope for facilitating succession planning for Cabinet members and the extent to which this can be embodied as part of the scheme. Examples from other councils may assist in such work.
- The extent to which executive SRAs can be included as part of a finite financial envelope from which any Leader would determine the roles they require and the levels at which they are remunerated. Officers should explore the feasibility of such an approach which should be considered as part of future Panel deliberations.

Overview and Scrutiny SRAs:

The Panel has received information setting out the structural changes that have taken place following the implementation of the refresh of Overview and Scrutiny in May 2015. The Panel has considered the changing approach to Overview and Scrutiny, along with the implications of this for specific roles. The new arrangements have resulted in the creation of the role of Health and Social Care Scrutiny Panel Lead Member. **The Panel recommends that this is paid at Band C1 (£6138).** All other Overview and Scrutiny SRAs should be retained at the current level.

Chair of a District Committee:

At its last meeting the Panel agreed to revisit this SRA in light of the progress made in delivering the intended outcomes in respect of devolution. The Panel received conflicting evidence on the extent to which the council's vision for devolution has been consistently realised, and having taking into account this evidence, **the Panel recommends that this SRA is paid at Band C1 (£6138) with effect from 1 April 2016.**

Group Based Responsibilities:

The Panel has considered carefully its general approach to group based responsibilities, which includes the following SRAs:

- Group Business Manager
- Opposition Leader
- Deputy Group Leader

As a general principle the Panel continues to advocate an acknowledgement of these roles within the scheme given that Kirklees continues to be a council with no overall control. The Panel has received conflicting evidence with regard to the extent to which the SRA bandings relating to group size are reflective of the workload and responsibility attributed to those SRAs. Given that such evidence remains inconclusive the Panel is not minded to make any changes to the banding arrangements for group based responsibilities.

The Panel received specific comments with regard to the role profile of a Group Business Manager, some of which have been accepted and captured in the revised version. The Panel was asked to reconsider its requirement on councillors to complete Annual Reports (see above). The Panel maintains its long-held view that the completion of Annual Reports should continue and that it should form part of the Group Business Managers role to ensure that their members undertake this task.

Chair of Planning Committees:

The Panel has received an update on the constitutional changes relating to the governance arrangements for planning. This has resulted in the creation of a Strategic Planning Committee in addition to the two existing Planning Sub Committees. The new role profile covers all three roles. **The Panel recommends that this SRA is paid at Band C1 (£6138) with effect from 1 April 2016.**

Chair of Policy Committee:

The Panel has considered a new role profile following the establishment of Policy Committee and its changing focus in the 2015/16 municipal year. **The Panel recommends that this role is reconsidered at its next meeting in**

November 2016. This will allow time for the role to develop and evidence to be gathered to inform the Panel's deliberations.

10. Conclusion and Next Steps

The Panel is mindful that it has undertaken its review of the Allowances Scheme at a time when the council and its councillors are clearly in a period of significant transition. It is for this reason that the Panel's findings and recommendations are of an interim nature. That said, it has also been important to revisit a Scheme which has not been the subject of a full review for seven years. In so doing, the Panel has been able to recognise and acknowledge the need to increase the current rate of the basic allowance. This is an important statement that the Panel wanted to emphasise.

The Panel is satisfied that the building blocks and architecture of the scheme are sound, and provide a basis for managing future change. Once the council has resolved some of the significant strategic issues, in the context of New Council and the work of the Democracy Commission, the Panel will meet to continue the work it has started as part of this review.