

# Background to Special Responsibility Allowances and Changes since 2016

# Leader of the Council

## Background

In 2007, the Independent Remuneration Panel (“the Panel”) calculated the SRA for the Leader of the Council by applying a multiplier (or factor) to the recommended Basic Allowance similar to that applicable to the District Councils nationally, which was 2.77, resulting in a recommended Leader’s SRA of £14,819.50, which the Panel reduced to £14,800.

In 2011, the Panel considered that although the role of the Leader had been enhanced since 2007 and the fact that the SRA for the Leader was starting to lag behind peers, it did not recommend any change to the current SRA for the Leader. The overwhelming message received by the Panel was not to increase this allowance.

In 2016, the Independent Remuneration Panel recommended a small increase to £15,000 in this SRA to bring it more in line with the average SRA for this post for the benchmark Councils. However, the Council did not agree to this increase and the SRA remained at £14,800.

## Changes Since the last review

### Roles and Responsibilities

The most significant change to this role since the 2016 review has been the transfer of the responsibility for the Council’s financial strategy and budget from the Leader to the Deputy Leader. The loss of this role and responsibility has been compensated by additional duties being added to the Leader’s portfolio following the reduction in the number of Cabinet members

### Skills

There have been no significant changes to the skills required for this post. Although the responsibility for overseeing the financial strategy and budget has been transferred to another portfolio, the Leader is still expected to have an understanding of the financial strategy and present the budget speech to full Council.

### Workload

There has been no significant change in the workload of the Leader since the increase in the portfolio for this post as described above. The transfer of the responsibility for financial strategy has been compensated by other matters being included in the portfolio for this post.

# Deputy Leader of the Council

## Background

In 2003 the Council set the Deputy Leader's SRA at 68.5% of the Leader's indexed SRA – a ratio at the high end of the normal range. One reason for this high ratio was that the Council decreased the recommended SRA for Leader and marginally increased the recommended SRA for Deputy Leader. The original ratio recommended by the Panel in 2003 was for the Deputy Leader to have a SRA set at 60% of the Leader's recommended SRA. The Council did not agree to this recommendation

In 2007, the Council agreed, upon the recommendation of the Panel, to reduce this SRA to 60% of the Leader's SRA, which equated to £8880.

In 2011 and 2016, the Independent Remuneration Panel did not recommend any changes to this SRA which was agreed by the Council.

## Changes Since the last review

### Roles and Responsibilities

The most significant change to role of the Deputy Leader since 2016 is the addition of the responsibility for the financial strategy and budget within the portfolio for this post. The portfolio for this post, along with the other Cabinet Members, has also increased to accommodate the reduction in the number of cabinet members.

### Skills

The change in the portfolio for this holder has required the post holder to gain a greater understanding of the Councils budgetary systems and financial strategies.

### Workload

There has been a significant change in the workload of the Deputy Leader since the increase in the portfolio for this post as described above.

# **Cabinet Lead**

## **Background**

Prior to the 2007 review, the Council set the Cabinet Lead's SRA at 63% of the Leaders SRA; the Council reduced the Leader's SRA to accommodate this high ratio. The Panel in 2003 recommended that this SRA should be 55% of the Leader's SRA.

In 2007, the Council agreed, upon the recommendation of the Panel, to reduce this SRA to 55% of the Leader's SRA, which equated to £8880.

In 2011 and 2016, the Panel did not recommend any changes to this SRA which was agreed by the Council.

## **Changes Since the last review**

### Roles and Responsibilities

The portfolio for every Cabinet member has been increased to accommodate the reduction in the number of cabinet members.

### Skills

There have been no significant changes to the skills required for the post of Cabinet member since 2016.

### Workload

The workload of the Cabinet Member has been increased with the reduction in the number of Cabinet members from 8 to 6.

# Scrutiny Board Chairman

## Background

In 2007, the SRA for the Chairs of the two Scrutiny Boards was set at 40% of the Leader's SRA, which equated to £5,920.

In 2011, the Panel was informed that the number of Boards had been reduced to one and that the role of the Chair of the Scrutiny Board had changed in that the post had a 'lighter touch.' Rather than being the main vehicle for delivering scrutiny reviews, the Scrutiny Board's main function was to act as a co-ordinating body, acting as the organiser, conduit, and filter for reviews undertaken by the Scrutiny Panels.

Consequently, the Panel has decided that the original SRA (£5,920) was no longer appropriate and a more realistic assessment of the role was 30% of the Leader's SRA, which equated to £4,440.

The Scrutiny Board reviewed these recommendations and considered that the Scrutiny Board Chairman's SRA "... should remain unchanged as the Chair was required to attend an increased number of meetings since the establishment of the five scrutiny panels. It was felt the Chair provided a focal point of the Board and this responsibility warranted the current allowance. This also maintains parity with the Chair of DMC. It was noted that both Chairs received remuneration cuts last year". The Council agreed with the recommendation of the Scrutiny Board and decided not to change this SRA.

In 2016 the Panel acknowledged the profile of scrutiny in the Council. Although the Panel recommended changes to the SRA for Scrutiny Leads it did not recommend any changes to the Scrutiny Board Chairman's SRA. A review of the Allowances by a scrutiny panel in the same year did not recommend any changes to this SRA.

## Changes Since the last review

### Governance Arrangements

Since the review there have been significant changes in the Council's governance arrangements with the replacement of one Scrutiny Board with two scrutiny Boards and the replacement of the Governance and Audit Committee with the Governance, Audit and Finance Board, which is responsible for the functions of the Governance and Audit Committee and the scrutiny functions relating to budget and the Council's corporate strategies and policies (details of the role and responsibilities for the Chairman of this new board is set out below).

The main objective for the Scrutiny Boards this year is to move away from delegating reviews to panels and for the board to hold "Select Committee" style reviews.

## Roles and Responsibilities

The role of the two Scrutiny Boards is similar to the Chairman of the Boards prior to 2016: the aim of introducing a “Select Committee” style of scrutiny to the Boards has resulted in the dissolution of the Scrutiny Lead posts and consequently an increase in the duties responsibilities of the Chairmen of the Boards.

## Skills

A move towards a Select Committee style of working will increase the needs for advanced chairing and project management skills

## Workload

The move towards “Select Committee style boards and away from delegating reviews to Panels will increase the number of Boards and the workload of the post.

# Governance, Audit and Finance Board Chairman

## Background

This is a new post arising from a change in the Council's governance arrangements agreed by the Council on 9 May 2018, which, amongst other things, created a Governance, Audit and Finance Board ("GAF Board").

The GAF Board is a hybrid comprising the functions of a decision-making committee (the former Governance and Audit Committee) and the scrutiny functions relating to the budget formation and the Council's corporate strategies and policies.

Currently the post is paid the SRA is only paid for the scrutiny functions attached to this post

## Details of the New Post

### Governance Arrangements

Since the review there have been significant changes in the Council's governance arrangements with the replacement of one Scrutiny Board with two scrutiny Boards and the replacement of the Governance and Audit Committee with the Governance, Audit and Finance Board, which is responsible for the functions of the Governance and Audit Committee and the scrutiny functions relating to budget and strategy (details of the role and responsibilities for the Chairman of this new board is set out below).

### Roles and Responsibilities

Due to the nature of the Board, the Chairman of this Board has dual roles relating to the Chairman of a Committee and the Chairman of a Scrutiny Board. The Chairman of this Board is also required to sign the Council's final Statement of Accounts and associated Letter of Representation on behalf of the Council. The scrutiny function requires the Chairman to be responsible for the Board's work programme and to oversee scrutiny reviews.

The detailed roles and responsibilities are set out in the **Roles and Responsibilities of SRAs** booklet.

### Skills

A move towards a Select Committee style of working will increase the needs for advanced chairing and project management skills

The detailed skills for this post are set out in the **Roles and Responsibilities of SRAs** booklet.

## Workload

The workload for this post is intensive involving strict audit plans and the scrutiny work programme. The initial work programme for the Board Schedules 9 meetings for this municipal year: the Governance and Audit Committee met 4 times in 2017/18 and the Scrutiny Board met 7 times in 2017/18.



# Development Management Committee (DMC) Chairman

## Background

In 2007, the SRA for the Chair of the DMC was set at 30% of the Leader's SRA and remained at £5,920 until 2016.

In 2016, the Panel acknowledged that sufficient evidence had been produced to support the view that this was a high-level role. However, it was also noted that the allowance in 2015/6 was 20% higher than the average benchmarked councils. The Panel at this stage did not recommend a change to this SRA.

In response to changes to the scheme recommended by the Cabinet and adopted by the Council, a scrutiny panel reviewed this SRA in 2016 and concluded that "..... although the post still satisfies the requirements for a Special Responsibility Allowance, the frequency and length of meetings no longer justifies the level of allowance set previously". As a result, the allowance was reduced from £5920 to £3577. This decision was based on DMC having only one chairman and the time and number of meetings: the roles and responsibilities of the post were not considered.

## Changes Since the last review

### Governance Arrangements

Since the review there have been significant changes with the introduction of rotating chairman for the Committee; a decision to revert to only one chairman was made in 2018. The roles and responsibilities of this post have not changed.

There has however been a rise in the number of meetings which is more in line with the other benchmarked councils (see the benchmarking Survey August 2018 page 21).

### Roles and Responsibilities

There have been no changes to the roles and responsibilities of this post since 2016

### Skills

There have been no changes to the skills required for the post of Cabinet member since 2016.

### Workload

The number of meetings has increased 2016 to a level similar to the other benchmarked councils.

# Joint Human Resources Chairman

## Background

This post was created in 2012 and the Council, upon the recommendation of the Panel, set the SRA at £1,973. The Chairman of the Joint Human Resources Committee alternates each year between a Havant and East Hampshire Member. A member from this Council is the Chairman of the Committee for this year.

In 2011 and 2016, the Independent Remuneration Panel did not recommend any changes to this SRA which was agreed by the Council.

## Changes Since the last review

### Roles and Responsibilities

There have been no changes to roles and responsibilities of this post since 2016

### Skills

There have been significant changes to the skills required for this post since 2016.

### Workload

There have been no significant changes in the workload of this post since 2016.

# Licensing Committee Chairman

## Background

In 2003, the SRA for the Licensing Committee was, in line with the Panel's recommendation, set at 20% of the Leader's Allowance. This SRA remained unchanged upon the recommendations of the Panels' reports for 2007 and 2011.

In 2016, the Panel recommended that, based on the evidence submitted, the SRA should be reduced to £2500. However, the Council did not agree to this recommendation and it remained unchanged.

## Changes Since the last review

### Roles and Responsibilities

There have been changes to roles and responsibilities of this post since 2016 with the delegation of taxi and private hire licensing to the Licensing Sub Committee

### Skills

The skills relating to this post has also reduced since the transfer of the taxi and private hire licensing functions referred to above.

### Workload

The significant change in the workload of the post since 2016 has been the delegation of the taxi/private hire licensing functions to the Licensing Sub Committee, which has resulted in more than 80% of the functions of the Committee being dealt with by the Licensing Sub Committee. This in turn has reduced the workload of the Chairman.

# Leader of a Minority Political Party

## Background

The Council is under a legal obligation to award at least one member of the Opposition an SRA (where they are paid at all) when one or more party groups form an administration. The purpose of this requirement is to ensure that the Opposition is resourced to fulfil its role. This is only a legal requirement where the political groups are registered as political groups under the Local Government and Housing Act 1989, which is the case in Havant Borough Council.

The low SRA for the Opposition Group Leaders is inherent in the approach that is utilised to arrive at their SRAs. In an attempt to relate Opposition Group Leaders' SRAs to the size of their respective group the Panel in 2001 recommended their SRAs be payable according to which one of four bands of group size their group fell in.

This approach was maintained in the 2003 review. The Panel remained convinced that it is important to provide support for the Opposition in Havant to ensure effective challenge in the democratic context thereby benefiting the whole Borough. The Panel acknowledged that although the SRA reflects the size of the Opposition Groups it does not recognise the breadth and depth of the role of the Leader of the Main Opposition Group. This post holder has a duty to act as the Leader of the principle opposition and be prepared to take a view across the whole of Council. While it does not preclude the Leader of the other Opposition Groups from doing the same the expectation is less so on Leaders of other Opposition Groups – although the Panel recognised that with the current size and little difference in their size, of the Opposition Groups this assumption is less strong than it might otherwise be.

In 2003 the Panel decided to maintain the approach of linking the SRAs for Opposition Group Leaders to their group size but to increase the SRA for each band by 20% on the 2003 levels.

The SRAs for the Leaders of all the Opposition Groups was set based on a banding system according to group size as follows:

- Band A 2-5 Members: £600
- Band B 6-10 Members: £1,200
- Band C 11-15 Members: £1,800
- Band D 16+ Members: £2,400

The Panel considered that the minimum SRA for Leader of the Principal Opposition Group should be set at £1,200 on the basis that regardless of group size the Principal Opposition Group Leader has a duty to provide critical challenge to the ruling group.

The Panel in 2011 considered that the above approach should remain unaltered

The 2016 Panel reviewed the scheme and recommended that, in the interest of fairness and to ensure a fair recompense for the role, all non ruling party group leaders receive an allowance based upon the following formula:

*The Council Leader's SRA, divided by the total number of councillors on the council, multiplied by the number of councillors in the group. To ensure an appropriate allowance for leaders of small groups, a minimum SRA of £1,500 to be paid.*

This was not agreed by the Council and since the Council does not have a principal opposition party, the minority group leaders currently receive £600 each.

#### Roles and Responsibilities

There have been no changes to roles and responsibilities of this post since 2016.

#### Skills

There have been no significant changes to the skills required for this post since 2016.

#### Workload

There have been no significant changes since 2016.