

APPENDIX 1

REPORT OF THE INDEPENDENT REMUNERATION PANEL - REVIEW OF SCRUTINY COMMITTEE CHAIRMAN ALLOWANCE AND MEMBERS'S ALLOWANCES SCHEME FOR 2015/2016

1.0 INTRODUCTION

- 1.1 In approving the current Members' Allowances Scheme in February 2014 Council also agreed to set up a working party comprising of the 4 Group Leaders, or their representatives, to look afresh at the Scheme in light of recent and expected changes to the role of elected Members in order that proposals might be submitted for future consideration to the Independent Remuneration Panel.
- 1.2 The Working Party subsequently met later in the year and agreed to ask the Panel to look into the remuneration payment made to the 5 scrutiny chairmen. Mention was also made to a review being undertaken of the allowance paid to the Chairmen of the 3 Planning Committees but this was not pursued by the Working Party in light of possible reductions in the near future in the number of planning committees.
- 1.3 Arrangements were therefore put in place for the Independent Remuneration Panel to meet in January to consider the level of remuneration paid to Scrutiny Chairman. The intention being for the outcome of the Panel's review to be submitted for consideration to Council in February 2015 together with the Panel's recommendation on the remaining allowances in the current scheme.
- 1.4 In order to better understand their work, the 5 Scrutiny Chairmen were requested to each complete a work log of their activity for a prescribed period of a month during September/October of 2014. They were also invited to speak to the Panel which convened on the 6th January 2015.
- 1.2 All 5 Scrutiny Chairmen submitted their work logs in advance of the meeting and 2 attended the Panel in person with another speaking separately to the Panel's Chairman in December due to a long standing prior commitment on the 6th. The Chairman subsequently fed back his comments to Members. The Panel also spoke to the Leader of the Council, the Head of Legal and Democratic Services, Cllr Roger Evans (representing the Liberal Democrat Group) and Cllr Alan Mosley (representing the Labour Group).

2.0 SUBMISSION OF EVIDENCE

- 2.1 The Panel received a copy of the Job Description for the role of Scrutiny Chairman and each of the 5 Scrutiny Chairmen submitted their work logs in advance of the meeting. The Panel however was mindful that it was not possible to obtain a full picture of the activities undertaken by the 5 Chairmen by analysis of the description and logs alone. Nor was it possible to judge the value of the actual activities undertaken by them or the importance of the

contribution they had made towards having a “healthy” political and democratic process. The Panel considered that it might therefore be useful to speak to a Portfolio Holder to ascertain their views on the matter and to receive copies of the annual scrutiny reports. These views were borne in mind during their discussions at the meeting.

2.2 During his discussion with the Panel the Leader referred to initial talks which had taken place very recently in relation to a possible restructuring of the scrutiny committee set-up with a view to making it more fit for purpose given recent and future changes. In particular he drew attention to the establishment of ip&e Ltd and the authority’s move towards becoming a more Commissioning Council. He indicated that very early proposals had centred upon the establishment of one scrutiny committee, comprising of about 8 to 10 Members, with a Chairman receiving a main allowance. Each of the other Members of the Committee would then be allocated a specific area of responsibility to scrutinise, along similar lines to Portfolio Holders, with each having an appropriate allowance to reflect the importance of the role. Much further work was required on the issue by officers prior to more detailed discussion with the other Group Leaders and Members. He suggested that the scrutiny re-structuring should be progressed further, with the Panel then being asked to consider the issue of appropriate allowances once more definite detail was known. Due to the recent emergence of this proposal and also the rapid changes taking place within the Council he expressed his wish for the matter to be progressed quickly with a view to any new structure being in place by mid Spring. In response to a query from the Panel he stated that it might therefore be best for the Panel to defer their consideration of the matter for a short while pending further work on the scrutiny proposals.

2.3 The Panel received confirmation from Cllr Alan Mosley that he believed that the current scrutiny set-up was not working, nor was it fit for purpose, and that subsequently the allowance being paid to each of the Scrutiny Chairman was not providing value for money for the Council. He stated that it was also not apparent that Scrutiny Chairmen were working as hard as their Portfolio Holder colleagues, who received the same allowance, nor were they carrying out their role as they should be, albeit to varying degrees. In expressing his commitment to work with the Leader and other Group Leaders to improve the current scrutiny process and structure, he also stressed the importance of challenge in the political and democratic process and the benefits to be gained for the system should the scrutiny process work well. In reply to a query from the Panel he also expressed his support for an allowance to be made to individual Chairman of Task and Finish Groups to reflect the hard work they undertook rather than make large payments to each of the 5 scrutiny committee chairman given the relatively small number of committee meetings held throughout the year. He concluded by emphasising the importance of scrutiny working well and expressing tentative support for the Leader’s initial proposals regarding the establishment of a single committee together with various task and finish groups.

- 2.4 The Panel also received confirmation from Cllr Roger Evans regarding his Group's concerns that the scrutiny process was not working and Chairmen were not carrying out their functions especially in relation to holding the Executive to account and examining the subsequent impact of their decisions. Amongst a number of issues raised, he made the point that the committees were not meeting on a regular basis and circulated a schedule of dates which he said supported their concern that some of the 5 committees had met infrequently during the last 18 months. He put forward a suggestion that the allowance paid to the Scrutiny Chairman should be reduced to reflect their perceived small workloads, with payments made instead to task and finish chairman. He cited a number of other local authorities where the special responsibility allowances paid to their scrutiny chairman were considerably lower than those made to their Portfolio Holders. In turn the Panel indicated that they had received comparable information from several other local authorities. Cllr Evans was also of the view that there was a comparable situation in relation to the allowance paid to the 3 planning committee chairman given the increased number of decisions being taken by officers, and indicated that a review should be undertaken of the whole system. He reiterated that the scrutiny process should be strengthened and become more transparent to reflect changes in the Council's way of working during which he referred specifically to scrutiny of ip&e Ltd. In response to a question from the Panel he expressed support for an allowance to be paid to the Scrutiny Chairman subject to the amount being an accurate reflection of their activities and generating added value to the Council. He also made the point that should the Council continue with 5 scrutiny committees then the allowance paid should vary in light of 2 of them dealing with approximately 70% to 80% of services, namely young persons, adult social care and health services. In the event of a single committee being established he supported the payment of an allowance to the other members of the committee should they be given specific scrutiny responsibilities and duties. The Panel therefore concluded that the Leader and Cllrs Mosley and Evans were all of the opinion that scrutiny was not working as it should be in its current format. In addition they were all broadly supportive of a single scrutiny committee being established in future, with a main payment to the chairman and smaller allowances being paid to the other committee members subject to them carrying out certain activities.
- 2.5 After speaking to the 2 Scrutiny Chairmen and receiving feedback on the comments from another it was clear to the Panel that each of the Chairmen believed that they were working hard over many hours, adding value to the Council and their activities and those of their committees had been of considerable help to the overall decision making process. Due to the different working styles of the Scrutiny Chairmen and information available it was challenging however for the Panel to obtain a full understanding of the remit of the scrutiny chairman's role and the worth of the chairman's current activities for the Council. The Panel considered that whilst the work logs and further information given at the session helped to give a certain understanding of the current workload for each of the Chairmen, more detail would be helpful together with copies of each of the annual reports submitted to Council. The Panel also felt they would benefit from speaking to one or more Portfolio

Holders on their working relationship with the Scrutiny Chairmen. During discussion the Chairmen were asked to cite examples of scrutiny activities undertaken by them which they considered of worth both to the authority and outside. Discussion also took place regarding the number of meetings held during the last 18 months with one Chairman indicating that notwithstanding past criticism, he still felt there was little merit in holding a meeting should a lack of business not warrant it, especially if other types of scrutiny activities were taking place in the meantime. With respect to his own committee's remit he indicated that fundamental redesign decisions had now been progressed and that after a lull the Committee's work had resumed at a high pace. All of the Chairmen also referred to the changes taking place in relation to working practices within the Council and supported the need for the scrutiny process, including the duties of the Chairman, to adapt both now and in the future to reflect this. In view of the changes taking place all Chairmen re-iterated the importance of the role of scrutiny for the democratic process.

- 2.5 The Head of Legal and Democratic Services, with direct responsibility for scrutiny and the overall operation of the decision making process, discussed with the Panel the role and purpose of scrutiny in order to better inform them about the role of the Scrutiny Chairman. She also spoke about the recent exploratory proposals put forward by the Leader in relation to a possible new scrutiny set-up and indicated that much more work and discussions were required on the matter over the new few months. In reply to a query from the Panel regarding likely timescales she suggested that the new operation could be in place as early as April or May. Accordingly she indicated that the Panel might feel that it would be better to defer their consideration of the Scrutiny Chairman's allowance until such time that more firm details were known regarding scrutiny's future operation.

3.0 **CONCLUSIONS**

- 3.1 Having analysed all of the evidence, the Panel concluded that there might well be a change in the scrutiny operation in the near future. Whilst much further work would be required prior to any new set up being agreed, it was felt that there was a general consensus within the authority across all political parties that the current scrutiny system was no longer fit for purpose and required amendment. Irrespective of the final decision on the matter the Panel was of the view that the existing 5 scrutiny committees would probably be replaced with an alternative arrangement in the near future.
- 3.2 The Panel therefore believed that a recommendation to change the scrutiny chairman allowance, if any, proposed by themselves to the February meeting of Council, would be overtaken by events shortly afterwards. Consequently the Panel felt that any further consideration of the matter by them at this stage, including requests for more information and to speak to a Portfolio Holder, would be unproductive until such time more definite information was known about future arrangements. The Panel was of the view that it would be helpful if they met again to review the allowance prior to the implementation of any new operation.

- 3.3 The Panel was also aware however that the status quo could remain despite the substantial evidence submitted to them at their meeting regarding the need for change. It was agreed therefore that should a restructure of the scrutiny operation not take place within the next few months, then the Panel ought to reconvene again by the summer at the latest to review the existing allowance paid to the scrutiny chairman.
- 3.4 With regard to the remaining allowances the Panel felt that the current scheme should continue for 2015/2016. However the Panel was also mindful that with rapid changes taking place within the Council due both to internal and external factors, it might be, and should be, called upon to review allowances at any time during the coming year in addition to its annual review of the Allowances Scheme.

4.0 **RECOMMENDATIONS**

- 4.1 The Independent Remuneration Panel recommends to Council as follows:
- (a) That the Special Responsibility Allowance paid to the Scrutiny Chairman be continued at its present level on the basis that further changes are expected to be made to the existing 5 Scrutiny Committee structure and are likely to be implemented in the near future.
 - (b) That the Independent Remuneration Panel be invited to review the allowance paid to the Scrutiny Chairman, and if appropriate, to the other Members of the Committee, upon more firm details being known about the new Scrutiny Committee structure, and for this review to take place, if possible, prior to the implementation of the new arrangements.
 - (c) That in the event of no new scrutiny committee arrangements being put in place in the near future the Panel be reconvened by the Summer at the latest to continue their review of the level of payment made to the existing 5 scrutiny committee chairman.
 - (d) That the remaining allowances in the current Members Allowances Scheme be continued in 2015/2016.

Ciaran Martin (Chairman)
Julia Baron
June Jones

James Parker
John Thomas