

REPORT OF THE CONSTITUTION COMMITTEE
19 March 2014

Presented by Cllr Mark Hawthorne, Committee Chairman

1 INDEPENDENT REMUNERATION PANEL

- 1.1 William Alexander, Chairman of the Independent Remuneration Panel (IRP) attended the meeting and presented the panel's report and recommendations for the 2014-15 revision of the Members' Allowances Scheme (see Annex 1).
- 1.2 The Committee heard that the Panel had conducted an in-depth review of all matters relating to the remuneration of members. Throughout October 2013, 27 interviews were conducted with a wide range of members taking into account length of service, political persuasion, back bencher, or Special Responsibility Allowance holder.
- 1.3 The Committee, having considered the Panel's proposals, is unanimous in its support of increasing the basic allowance and making adjustments to specific Special Responsibility Allowances from 1 April 2014, as outlined in the recommendations below.
- 1.4 The net effect of these changes will be to increase the members' allowances budget by just less than 2%. This is broadly in line with the staff pay rise of 1% in 2013-14 and the anticipated rise of 1% in 2014-15.
- 1.5 Members noted that a number of adjustments had been made to special responsibility allowances to ensure that the overall increase was maintained within 2%. William Alexander was anxious to point out that this in no way reflected negatively on the holders of the positions affected.
- 1.6 The Committee therefore resolved:

TO RECOMMEND TO COUNCIL:

(a) To increase the Basic Allowance from £8,800 to £9,000 from 1 April 2014 to reflect staff pay rises for 2013-14 and 2014-15. -

To make the following adjustments to SRAs from 1 April 2014:

(b) To remove the rule of 'only one SRA'. This change does not increase the budget for allowances as the budget assumes that all allowances are taken up.

- (c) *To adjust the BA multiple (0.66 to 0.6) for the SRAs for committee chairmen and members of the Adoption Panel and Fostering Panel. This will reduce the value of the SRA from £5,808 to £5,400.*
- (d) *To adjust the BA multiple (0.33 to 0.3) for the SRA for the Vice-chairman of the Council. This will reduce the value of the SRA from £2,970 to £2,700.*
- (e) *To set the SRAs for the leaders of the main political groups at a BA multiple of 0.65 resulting in an allowance £5,850.*
- (f) *To increase the qualifying number of members for a full Group Leader's allowance from 4 to 5 members and that Group Leaders of 2, 3 or 4 members receive a proportion of the full allowance. For example, the leader of a group with 3 members would receive 3/5 of the SRA resulting in an allowance of £3,510.*
- (g) *That the Chairman of the Pensions Committee be given a SRA of 0.6 x BA in line with the allowance for other committee chairmen. This will result in an SRA of £5,400.*
- (h) *To discontinue the provision of a SRA to the Deputy Leader of Council and Cabinet Project Champions.*
- (i) *To maintain the SRAs for the Political Group Spokespersons, commonly referred to as 'Shadows', at their current monetary value of £1,500.*

1.7 A summary of the 2014-15 revised scheme of allowances is attached at Annex 1.

1.8 The Committee would like to record its gratitude to William Alexander as Chair of the Panel, and indeed the rest of the panel members, for all of their hard work relating to the remuneration of elected members.

2. REPORT OF THE MONITORING OFFICER

The Committee gave consideration to a report from the Monitoring Officer which outlined the following amendments to the constitution:

2.1 Procedural Standing Orders: Recorded vote

The Committee noted that on 25 February 2014 the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 came into force. The effect of these Regulations is that the Council must amend its Procedural Standing Orders to incorporate a provision requiring there to be a recorded vote at budget meetings. The purpose of this change is to enable people to see how their councillors voted, not only on the substantive budget motions agreeing the budget,

setting council taxes or issuing precepts but also on any amendment proposed at the meeting.

TO RECOMMEND TO COUNCIL:

That the amendment to Procedural Standing Orders set out in Annex 2 Part 1 is approved.

2.2 Cabinet Procedure Rules: Time Limit for submitting questions to Cabinet

TO RECOMMEND TO COUNCIL:

That paragraph 9.2 of the Cabinet Procedure Rules be amended to '4:00pm three clear working days before the date of the meeting', as set out in Annex 2 Part 2.

2.3 Ratification of changes made by the Monitoring Officer under delegated powers

The Committee noted the amendments to the Constitution made by the Monitoring Officer under delegated powers as set out in Annex 3:

- (a) The Confidential Reporting Procedure for Employees (whistle blowing) be amended in accordance with the tracked changes shown in Annex A.
- (b) In Article 6.03.1 the words 'but normally only in the event of a change of political control of the Council' be deleted.

**Cllr Mark Hawthorne
Committee Chairman
March 2014**

REPORT OF THE INDEPENDENT REMUNERATION PANEL

JANUARY 2014

1. Introduction

1.1 This report has been produced by an Independent Remuneration Panel (IRP) made up of members drawn from the local community. The Panel is independent of the Council and its role is to make recommendations on the level of allowances paid to councillors. The object being to promote access to all in our diverse community who may wish to stand for election to serve that community via the democratic process.

1.2 The members of the Panel:

- Philip Lowery A former adviser to the Social Services Committee. Member of the Independent Advisory Group (IAG) of the Criminal Justice Board.
- Quentin Tallon Secretary of Cheltenham TUC, with broad experience of trade union and other negotiations and also work in the voluntary sector.
- William Alexander Former Group Personnel Manager for a major UK joinery company. Parish councillor since 1979. Member of the Valuation Tribunal Service 2004 to 2014. Chairman of Dorset County Council Independent Remuneration Panel 2014.
- Fiona Miles Until recently worked as a Clinical Nurse Specialist in Respiratory Medicine at Gloucestershire Royal Hospital, having worked within the NHS since 1970. Is actively involved with RSPB in Gloucestershire. In the past has been Treasurer and Secretary to Play Groups and the Royal College of Nursing Specialist Group. Trustee of Gloucestershire Chest Fund. Also a Parish Councillor, School governor as well as actively involved in Gloucestershire Girl Guiding
- Gwyn Morgan Former Head of Science at a Gloucestershire Secondary School. Broad experience of the

education system as a teacher and a school governor.
Custody Visitor with high level security clearance.

- Richard Blamey Former Pensions Manager for a number of multi-national companies. Currently a Pensions Consultant and trustee. Parish and local councillor.

1.3 The Panel's recommendations relate to the period 1 April 2014 to 31 March 2015 and are in keeping with statutory provisions namely –

1.3.1 Local Government and Housing Act 1989 and Local Government Act 2006

1.3.2 The Local Authorities (Members' Allowances) (England) Regulations 2003 ('The Allowances Regulations')

2. Report

2.1 The Panel met on 22 April, 17 May, 12 July, 9 September, 4 November, 25 November and 20 December 2013. Interviews with 27 councillors were conducted on 2, 8, 14, 24 and 28 October 2013.

2.2 The Chairman of the Independent Remuneration Panel together with Simon Harper, Head of Democratic Services, attended the annual meeting of the Chairmen and Lead Officers of County, District and Unitary Authorities for the South West Region at Taunton on 18 June 2013.

2.3 As advised in our report to the Constitution Committee (December 2012) the Panel felt it was time to conduct an in-depth review of all matters relating to the remuneration of members. To this end, 27 interviews were conducted with a wide range of members bearing in mind length of service, political persuasion, back bencher or Special Responsibility Allowance holder, etc. Considerable help was given to the Panel by the willingness of members to be open and frank with their responses to questioning. Most importantly, a general feeling that the Basic Allowance had been allowed to drop behind that which was considered reasonable due to the economic climate prevailing over the past few years.

2.4 Basic Allowance (BA)

2.4.1 The Panel members believe that the current BA of £8,800 undervalues the role of County Councillors and are unanimous in their view that the appropriate rate of BA for 2014/15 is in excess of £10,000. The Panel recognise, however, that the severe financial pressure on local authorities

means that now is not the right time to make a significant change to allowances.

- 2.4.2 The Panel therefore suggests that the increase in BA should be linked to the pay of Council staff. Staff pay was increased by 1% in 2013-14 after a pay freeze of four years and a further pay rise of 1% is anticipated in 2014-15.
- 2.4.3 The Panel will continue to consider all matters impinging on allowances during 2014-15 being mindful that the level of BA remains low. It is important in the longer term that allowances are set at a level so as not to discourage people from standing for election.

2.5 **Special Responsibility Allowances (SRA)**

- 2.5.1 It was felt that the remuneration for the Leader of Council undervalued the role when taking into account the high level of accountability, responsibility and time required to carry out the role effectively. However, the Panel believe that it is not appropriate due to financial constraints at the present time to make any recommendation for change.
- 2.5.2 The Panel's decision to offer a SRA to Political Group Spokespersons or 'Shadows' has been well received and believe that it should be maintained at its current monetary value of £1,500. The Panel recognise the need to keep the level of this allowance under review to reflect the working arrangements of the Council's new 'minority administration'.
- 2.5.3 Two of the Panel members attended the Pensions Committee on 8 November 2013 to gain a better understanding of the role of the committee. The Panel note the importance of the committee in overseeing the sums invested in the Gloucestershire Local Government Pension Fund which covers not only Council staff but also those employed by associated organisations such as the District Councils. The Panel believe that there is a strong case for the Chairman of the Pensions Committee to be awarded a SRA in line with the chairs of other committees.
- 2.5.4 The Panel recommends that the number of members required for the payment of a full SRA for a Group Leader be increased from 4 to 5. However, having listened carefully to the smaller groups, the Panel recognise that there is a strong case for the leaders of the small groups to receive an allowance based on a proportion of a main Group Leader's allowance.
- 2.5.5 The panel recommends that the 'only one SRA rule' should be abolished in the cause of good governance and to reflect the 'no-overall majority' position

of the Council. This particularly applies following the appointment of Political Group Spokespersons or 'Shadows'.

- 2.5.6 The Panel recommends the removal from the list of SRAs the Deputy Leader of the Council and the Highways Contract Cabinet Project Champion.
- 2.5.7 To reflect the limited funds available, the Panel suggests a minor adjustment to the BA multiple (0.66 to 0.6) for the SRAs for committee chairs and members of the Adoption Panel and Fostering Panel. Similarly, it is suggested that the BA multiple for the SRA for the Vice-chairman of the Council is reduced from 0.33 to 0.3.
- 2.5.8 It is felt, however, that the SRAs for the leaders of the main political groups (currently 0.66) should not be reduced in monetary terms and be set at a BA multiple of 0.65. These small changes together with the deletion of the allowances at 2.5.6 will release sufficient funds to allow the changes to SRAs highlighted in this report to be made.
- 2.5.8 The Panel make mention that the Chairman of the Police and Crime Panel is paid from sources recoverable from Central Government and therefore does not affect the budget.
- 2.5.9 The Panel, particularly following the 27 interviews carried out in October 2013, strongly recognises the value of the commitment of all County Councillors to the people of Gloucestershire and congratulate them on their untiring efforts in this cause.
- 2.5.10 The Panel notes the success of the induction programme for members following the May 2013 election and recognises the value of an ongoing member development programme in helping members to understand their roles and responsibilities.
- 2.5.11 The panel wishes to record its gratitude to Joanne Bolton and Andrea Griffiths for their assistance to the work of this Panel and particularly to Simon Harper who currently advises us.

3 Recommendations

- 3.1 The following recommendations should be taken together and not considered on an individual basis. All of the allowances are inter-related and choosing one allowance over another will destroy the integrity of the scheme.

3.2 Basic Allowance (BA)

To increase the BA from £8,800 to £9,000 from 1 April 2014 to reflect staff pay rises for 2013-14 and 2014-15. -

3.3 **Special Responsibility Allowances (SRA)**

To make the following adjustments to SRAs from 1 April 2014:

- a) To remove the rule of 'only one SRA'. This change does not increase the budget for allowances as the budget assumes that all allowances are taken up.
- b) To adjust the BA multiple (0.66 to 0.6) for the SRAs for committee chairmen and members of the Adoption Panel and Fostering Panel. This will reduce the value of the SRA from £5,808 to £5,400.
- c) To adjust the BA multiple (0.33 to 0.3) for the SRA for the Vice-chairman of the Council. This will reduce the value of the SRA from £2,970 to £2,700.
- d) To set the SRAs for the leaders of the main political groups at a BA multiple of 0.65 resulting in an allowance £5,850.
- e) To increase the qualifying number of members for a full Group Leader's allowance from 4 to 5 members and that Group Leaders of 2, 3 or 4 members receive a proportion of the full allowance. For example, the leader of a group with 3 members would receive 3/5 of the SRA resulting in an allowance of £3,510.
- f) That the Chairman of the Pensions Committee be given a SRA of 0.6 x BA in line with the allowance for other committee chairmen. This will result in an SRA of £5,400.
- g) To discontinue the provision of a SRA to the Deputy Leader of Council and Cabinet Project Champions.
- h) To maintain the SRAs for the Political Group Spokespersons, commonly referred to as 'Shadows', at their current monetary value of £1,500.

3.4 To note that the net effect of these changes will be to increase the members' allowances budget by just less than 2%. This is broadly in line with the staff pay rise of 1% in 2013-14 and the anticipated rise of 1% in 2014-15.

3.5 Please refer to Appendix A for a summary of the 2014-15 revised scheme of allowances.

William Alexander

Chairman

Independent Remuneration Panel for Gloucestershire County Council

Appendix A

Basic allowance (BA) payable to all members

£9,000

			BA multiple	Allowance
Special responsibility allowances (SRA)				
Leader of the Council			3.00	£27,000
Group leader (5+ members, not Leader of Council)	Lib Dem	14	0.65	£5,850
	Labour	9	0.65	£5,850
	Independent	3		£3,510
	UKIP	3		£3,510
Cabinet member			2.00	£18,000
Scrutiny chair			0.60	£5,400
Audit and Governance Committee chair			0.60	£5,400
Planning Committee chair			0.60	£5,400
Pensions Committee chair			0.60	£5,400
Chair of Council			1.00	£9,000
Vice-chair of Council			0.30	£2,700
Adoption Panel member			0.60	£5,400
Fostering Panel member			0.60	£5,400
Political Group Spokesperson/Shadow			0.167	£1,500

Part 1.

Procedural Standing Orders shall be amended by the addition of the following new paragraph 15.7 and re-numbering of subsequent paragraphs.

“15.7 Immediately after any vote is taken at a budget decision meeting there shall be recorded in the minutes of the proceedings of that meeting the names of the persons who cast a vote for the decision, or against the decision or who abstained from voting.”

Part 2.

Cabinet Procedure Rule 9.3 shall be amended to read;

“A written copy of the question must have been delivered to the Chief Executive by 4.00pm three clear working days before the date of the meeting.”

Changes to Gloucestershire County Council Constitution by the Monitoring Officer

In the exercise of my powers set out in Article 14.02.01 of the Council's Constitution, I make the following amendments to the Council's Constitution:

1. The Confidential Reporting Procedure for Employees (Whistle blowing) shall be amended in accordance with the tracked changes shown in Annex A.
2. In Article 6.03.1 the words "but normally only in the event of a change of political control of the Council" shall be deleted.



Jane Burns
Monitoring Officer
Gloucestershire County Council

27 November 2013

90. Failure to comply with any of the standards detailed in this Code may result in formal disciplinary action, under the Managing Performance Improvement Procedure, including dismissal.

APPENDIX 1

CONFIDENTIAL REPORTING PROCEDURE FOR EMPLOYEES (WHISTLE BLOWING)

1. Employees are often the first to realise that there may be something wrong within the Council. However, they may not express their concerns because they feel that speaking up would be disloyal to their colleagues or to the Council. They may also fear harassment or victimisation and it may be easier, therefore, to ignore the concern rather than report what may just be a suspicion of malpractice.
2. The Council is committed to the highest standards of openness, probity and accountability. It expects employees, and others that it deals with, who have serious concerns about any aspect of the Council's work, to come forward and voice those concerns. The phrase 'whistle-blowing' in this procedure refers to the disclosure internally or externally by employees of malpractice, as well as illegal acts or omissions at work.
3. This Procedure makes it clear that employees can report, in a confidential manner, their concerns without fear of victimisation, subsequent discrimination or disadvantage and is intended to encourage and enable serious concerns to be raised with the Council, rather than overlooking a problem or 'blowing the whistle' outside. ~~It is stressed that under the Public Interest Disclosure Act 1998, employees of the Council who, in good faith, speak out against corruption or malpractice at work have statutory protection against victimisation and dismissal.~~

AIMS AND SCOPE OF THIS PROCEDURE

4. This Procedure aims to:
 - encourage employees to feel confident in raising serious concerns in those cases where they do not wish to use the normal reporting routes within their service area
 - provide alternative avenues for raising concerns
 - ensure that responses to concerns are made
 - to reassure employees that they will be protected from possible reprisals or victimisation if they have a reasonable belief that they have raised a concern in good faith the public interest
5. There are existing procedures in place to enable employees to lodge a grievance relating to their own employment. This Procedure is intended to cover concerns that fall outside the scope of other procedures and include:
 - conduct which is an offence or a breach of law
 - disclosures related to miscarriages of justice

CONFIDENTIALITY

11. All concerns will be treated in confidence and every effort will be made to protect an employee's identity if that is their wish. However this cannot be guaranteed if say following an investigation a case is taken to Court, where the employee may need to be called as a witness.

ANONYMOUS ALLEGATIONS

12. In order to ensure that employees receive protection of the Public Interest Disclosure Act 1998 employees should put their name to their allegation. Concerns expressed anonymously are sometimes less credible. Anonymous concerns and allegations, whether made to the Monitoring Officer or Head of Internal Audit, will therefore be investigated at the discretion of the Council.
13. In exercising this discretion the factors to be taken into account would include:
- the seriousness of the issues raised
 - the credibility of the concern; and
 - the likelihood of confirming the allegation from attributable sources² factual evidence.

UNTRUE ALLEGATIONS

14. If an employee makes an allegation in ~~good faith~~ the public interest, but it is not confirmed by the investigation, no action will be taken against them. If, however, an allegation is frivolous, malicious or for personal gain, disciplinary action may be taken against them.

HOW TO RAISE A CONCERN

15. Employees who wish to raise a serious concern should do so verbally or in writing (marked 'Confidential') to the:

Monitoring Officer
 Gloucestershire County Council
 Shire Hall
 Gloucester GL1 2TZ
 Telephone: (01452) 328472

The Monitoring Officer will refer all concerns in relation to possible financial impropriety to the Director: Strategic Finance and/or the Head of Internal Audit.

16. Alternatively employees may wish to use the Council's 24 hour "whistleblowing" answerphone service on Gloucester 01452 - 427052 to report any concern relating to possible fraud, corruption, conduct or mal-practice/administration.
17. Employees who wish to make a written statement/report are invited to set out:

- the background and history of the concern
- relevant dates, person involved
- details of supporting evidence

18. Although employees are not expected to prove an allegation they will need to demonstrate that ~~there are reasonable grounds for their concerns~~ the disclosure is in the public interest.

HOW THE COUNCIL WILL RESPOND

19. The Council will respond to such concerns and, where appropriate, the matters raised may be:

- ~~be~~ investigated by management, Internal Audit, or through the disciplinary process
- ~~be~~ referred to the Police
- ~~be~~ referred to the District Auditor
- ~~be~~ the subject of an independent inquiry

20. In order to protect individuals and those involved in the concern, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. The overriding principle which the Council will take into account is public interest; however, the Council has a zero tolerance attitude to any fraudulent activity. Concerns or allegations which fall within the scope of specific procedures (for example, child protection) will normally be referred for consideration under those procedures.

21. Within 10 working days of a concern being raised, the Monitoring Officer will write to the employee concerned at their private address:-

- acknowledging that the concern has been received
- indicating how s/he proposes to deal with the matter
- telling the employee whether any initial enquiries have been made
- telling the employee whether further investigations will take place and, if not, why not

22. If the matter is subject to further investigation the employee will be informed of any progress and proposed timescale for the investigation. The amount of contact between the officers considering the issues and the employee raising the concern will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If necessary, the Council will seek further information from the employee raising the concern.

23. A representative of a ~~T~~trade Union recognised by the Council or work place colleague may accompany an employee during any stage of an investigation conducted under this Procedure.

24. The Council will take steps to minimise any difficulties which may be experienced as a result of raising a concern. For instance, where an employee is required to give

evidence in criminal or disciplinary proceedings the Council will arrange for them to receive advice about the procedures involved.

25. The Council accepts that employees need to be assured that matters of concern have been properly addressed and, therefore, subject to legal constraints, employees will be informed of the outcome of any investigation.

THE RESPONSIBLE OFFICER

26. The Monitoring Officer has overall responsibility for the maintenance and operation of this Procedure. S/Hhe will ensure that a record of concerns raised and the outcomes recorded is maintained in a form that does not breach confidentiality.

FURTHER ACTION

27. This Procedure is intended to assist employees who wish to raise concerns within the Council. The Council hopes employees will be satisfied with any action taken. However, if they are not, and they feel it is right to take the matter outside the Council, the following organisations are possible contact points:

- Health & Safety Executive
- Environment Agency
- District Audit/Audit Commission/External Auditors
- Financial Services Authority
- DSS Benefits/Contributions Agencies
- Serious Fraud Office
- Trade Union
- Inland Revenue
- Relevant Voluntary Organisation
- Charity Commission
- Police
- Customs & Excise
- 'Public Concern at Work' (tel: 0207 404 6609)

28. If employees do decide to take the matter outside the Council, they must ensure that they do not disclose to a third party any Council confidential information. If employees are in any doubt, they are strongly advised to seek the confidential advice of the Monitoring Officer before taking any action to ensure that they are not putting themselves in a vulnerable position.