Minutes of a meeting of the Standards Committee held at Appletree Court, Lyndhurst on Friday, 29 January 2010.

District Councillors: Parish/Town Council Representatives: Independent Members

p C J Harrison p Cllr A T Glass p Mr J P Giltrow
p J A G Hutchins (Vice-Chairman) p Cllr M Short p Mrs R Gregory
p D B Tipp p Cllr M Steele p Mr A T J Lander
p J G Ward (Chairman)

Officers Attending:

Miss G O’Rourke, A Rogers and Mrs R Rutins, and for part of the meeting R Jackson, S Cranston and Mrs D Holmes.

Also in Attendance:

Mr P Jarvis, District Auditor

34. MINUTES (REPORTS A AND B).

RESOLVED:

That the minutes of the meeting held on 27 November 2009, and the first and second meetings of the Consideration and Hearing Sub-Committee held on 30 November 2009, having been circulated, be signed by the Chairman as correct records.

35. DECLARATIONS OF INTEREST.

All members declared a personal but not prejudicial interest in Minute 39.

36. PUBLIC PARTICIPATION.

No issues were raised during the public participation period.
37. DRAFT AUDIT OPINION PLAN 2009/10 (REPORT C).

The Committee considered the Audit Commission’s draft Audit Opinion Plan for 2009/10. Mr Jarvis, District Auditor, drew the Committee’s attention to page 7 of the document which identified the Council’s risk areas and the Auditor’s response to them. Mr Jarvis explained each of the risks in turn, together with the required action to address each one.

Members noted that the indicative fee for the 2009/10 audit was £119,476. Whilst it was pointed out this figure did not include the cost to NFDC in officer time assisting with the audit, it was explained that this fee would be higher if the Council’s officers did not help to the extent that they currently did. It was emphasised that, as well as the financial advantages in this regard, there were incidental system improvements and efficiency gains obtained from undertaking the work, which were of benefit to the Council.

RESOLVED:

That the Audit Commission’s Audit Opinion Plan for 2009/10 be noted.

38. PROTECTING THE PUBLIC PURSE – LOCAL GOVERNMENT FIGHTING FRAUD (REPORT D).

The Committee noted a summary of the Audit Commission’s guidance to local authorities on fraud prevention.

Attention was drawn to the checklist at page 6 of the document, which set out the Audit Commission’s recommended actions for local authorities in minimising fraud.

The Council’s Audit Manager explained that the Council had largely addressed the items in the checklist, and was in addition pursuing many other issues over and above these requirements. He outlined some of the current activities and issues being dealt with by the Council’s Audit Service which included:

- Joint working and sharing data with certain agencies on combating fraud
- Recent successful prosecutions of major benefit fraud
- Publicity of anti-fraud mechanisms and outcomes
- Use of Citizen’s Panel Survey to obtain public attitudes to fraud reporting
- Production of e-form for whistleblowing on fraud
- Intended replacement of fraud officer following retirement
- Fraud investigation policy
- 3 day stop and search exercise
- Proceeds of crime investigations
- Memorandum of Understanding with Inland Revenue and Revenue and Customs, and Credit Industry Fraud Advisory Services

The checklist would be reviewed in the context of officers’ future work programmes, and progress reports made to the Committee periodically.

RESOLVED:

That the Audit Commission’s guidance to local authorities on fraud prevention be noted and that the Committee receive updates on progress as and when appropriate.

All members of the Committee declared personal interests in this item. It was noted that under paragraph 10(2) of the Code of Conduct, members did not have a prejudicial interest in this matter. All remained in the meeting to speak and to vote.

The Committee considered the report of the Independent Remuneration Panel which had met over two days to review the District Council’s Members’ Allowances Scheme. It was noted that the process had gone well and had involved a presentation to the other Panel members on the context of the Panel’s work by the Panel’s Chairman, Dr Hall, followed by interviews, review of evidence, and deliberations.

The Panel had explored at some length a suitable automatic annual adjustment index for the allowances. The current Scheme provided for members’ allowances to be adjusted annually by the annual percentage increase in the Retail Price Index (RPI) (All Items) for the 12 months to the end of the previous year. For the year to December 2008, this had been 4%, and councillors had decided for 2009/10 not to apply the index. The current index had proved somewhat volatile, and a clear majority of members interviewed had been in favour of linking future adjustments to the employees’ annual pay award, now that the Council had moved to national pay bargaining.

The Committee noted that the New Forest median earnings for 2009 equated to £12.79 per hour, which compared almost exactly with the notional hourly rate of £12.78 used for the calculation of the Basic and Special Responsibility Allowances in the NFDC Scheme. Given this, together with benchmarking data and other reasons set out in the report, it was still felt that this rate was still appropriate as the basis for the calculation of the allowances and that therefore it should remain unchanged.

The Committee felt the research undertaken and the evidence presented by the Panel were sound and that the recommendations for amendments to the Scheme were practical and realistic. The Committee asked that these comments and their thanks be passed on to the Panel members.

RECOMMENDED:

That all the recommendations of the Independent Remuneration Panel be adopted as follows:-

(i) That there be no change to the calculation of the Basic Allowance;

(ii) That the annual Special Responsibility Allowances be adjusted as set out below (for completeness the full list of SRAs is set out):

<table>
<thead>
<tr>
<th>Special Responsibility Allowance</th>
<th>Proposed allowance (Changes based on hours calculation)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Allowance</td>
<td>£5,316 (no change)</td>
</tr>
<tr>
<td>Leader of the Council</td>
<td>£18,608 (no change)</td>
</tr>
</tbody>
</table>
### Special Responsibility Allowance

<table>
<thead>
<tr>
<th>Position</th>
<th>Proposed allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Portfolio Holders</strong></td>
<td>£9,304 (no change)</td>
</tr>
<tr>
<td><strong>Chairmen of Review Panels</strong></td>
<td>£4,652 (no change)</td>
</tr>
<tr>
<td><strong>Chairman of Planning Development Control Cttee</strong></td>
<td>£5,163 (£511 increase)</td>
</tr>
<tr>
<td><strong>Chairman of General Purposes &amp; Licensing Cttee</strong></td>
<td>£1,316 (£153 increase)</td>
</tr>
<tr>
<td><strong>Opposition Group Leaders</strong></td>
<td>Half the Leader's allowance, divided between each Group Leader in proportion to the number of members in their Groups, subject, where there is only one opposition group, to a reduction of 25% if the numbers on that Group fall below 12 or 20% of the number of members on the Council</td>
</tr>
<tr>
<td><strong>Shadow Portfolio Holders</strong></td>
<td>£562 (no change)</td>
</tr>
<tr>
<td><strong>Co-optee’s allowance to Chairman of Standards Cttee</strong></td>
<td>£1,316 (£153 increase)</td>
</tr>
<tr>
<td><strong>Co-optee’s allowance to members of the Standards Committee</strong></td>
<td>£255 (£51 increase)</td>
</tr>
<tr>
<td><strong>Co-optee’s allowance to Standing Chairman of Consideration and Hearings Sub-Cttee</strong></td>
<td>£409 (new allowance)</td>
</tr>
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(iii) That the Special Responsibility Allowance of £40 per session payable to members sitting on Licensing Sub-Committee hearings under the Licensing Act 2003 be discontinued with effect from 1 April 2010.

(iv) That the Dependants’ Carers’ Allowance continues to be payable, but that the maximum hours that may be claimed be increased to 12 hours of care per week, and that –

- the current hourly rate of £6.55 applicable to all care applying in future where the dependant is a child under 16; and
- where the dependant is 16 or over, the hourly rate be that charged by Hampshire County Council’s Adult Services for the provision of a Home Care Assistant, up to a maximum of £10.00 per hour.
(v) That the annual adjustment index for the Basic, Special Responsibility, Co-opted and Dependents’ Carers’ allowances be the local government staff employees’ national pay award annual percentage increase backdated to 1 April in each year but that:

(i) backdating not apply to councillors who resign or who otherwise cease to be members of the Council after 1 April in any year, or who are not re-elected to the Council in the years of the ordinary election of Councillors; and

(ii) where different percentage increases apply to pay bands, the index shall be the award applicable to Spinal Column Point (SCP) 28, which most closely equates to the scheme’s notional hourly rate.

(vi) That the changes to the scheme detailed above take effect from 1 April 2010;

(vii) That the annual adjustment index referred to in paragraph (v) above operate for a maximum of four years or until the Panel is reconvened to review the scheme, so that a review must take place prior to the Municipal Year 2014/15;

(viii) That there is no change in the current mileage rates, and that they continue to be fixed at HM Revenue and Customs Authorised Mileage Allowance Payments (AMAP) rates;

(ix) That all members continue to be eligible for membership of the Local Government Pension Scheme, and that members’ basic and special responsibility allowances be treated as amounts in respect of which pensions are payable.

40. CORPORATE CONSULTATIONS (REPORT F).

The Committee noted the results of surveys undertaken in 2009/10, and considered the need for any further surveys for 2010/11.

Since the agenda had been despatched, Committee members had been provided with the recently released results of the Citizens’ Panel survey on Councillor Ethics and Standards, and it was agreed that a report on these and any necessary actions arising from them be submitted to a future meeting.

RESOLVED:

(a) That the corporate consultations conducted in 2009/10 and those still to be undertaken be noted;

(b) That no further consultations be requested at this stage; and

(c) That the results of the Citizens’ Panel Survey on Councillor Ethics and Standards be submitted to a future meeting, together with suggested actions arising from it.

CHAIRMAN

(SC290110)