

Hertfordshire County Council

REPORT OF THE INDEPENDENT PANEL ON MEMBERS' ALLOWANCES

*01 June 2017
(for the 2017/18 Scheme of Allowances
04 May 2017 onwards)*

HERTFORDSHIRE COUNTY COUNCIL

REPORT OF THE INDEPENDENT PANEL ON MEMBERS' ALLOWANCES FOR 2017/18 (04 May 2017 onwards)

1. Introduction

- 1.1 The report of the Independent Panel to the February 2017 meeting of Council included the following comment in relation to the County Council Election on 04 May 2017:

11.3 The Panel noted that they may need to meet again after the County Council election in May 2017 to consider changes to the Scheme of allowances. This would be the case particularly if there were any significant changes to the balance of political groups on the Council or to member roles which might attract a special responsibility allowance.

- 1.2 The reconvened Independent Panel on Members' Allowances comprised 4 independent members: Hazel Bentall, Michelle Drapeau, Nicholas Eldred and Christopher Clark. Apologies were received from Alan Lawrence. Nicholas Eldred chaired the meeting. The Panel met on 01 June 2017, and was supported by Kathryn Pettitt, Chief Legal Officer and Steven Charteris, Head of Democratic & Statutory Services.
- 1.3 The Group Leaders on the Council had been invited to make submissions to the Panel regarding their groups' views on the content of the Members' Allowances Scheme following the election.
- 1.4 Robert Gordon, Leader of the Council, provided written comment. Stephen Giles-Medhurst, Leader of the Liberal Democrat Group provided a written submission and attended the meeting. Judi Billing, Leader of the Labour Group attended on behalf of the Labour Group. The Panel greatly appreciated the attendance and the oral and written submissions of members.
- 1.5 The Panel were informed that the effect of the May 2017 election was to change the composition of the Council from:

Conservative 46: Liberal Democrat 16: Labour 15, to

Conservative 51: Liberal Democrat 18: Labour 9

- 1.5 The Panel considered:
- Whether the level of Executive Member Special Responsibility Allowances (SRA) remain appropriate considering the changes to portfolios.
 - The distribution of Group Spokespersons (eligible for an SRA) assigned to each Group considering the changes in proportionality.

2 Summary of Recommendations

- 2.1 The Panel recommends to Council that the Scheme for Members' Allowances be amended as follows:
- (a) Liberal Democrat Group to increase to 5 Spokespersons who are eligible to receive an SRA. All Spokespersons to continue to receive £4,989 per annum (0.5 x Basic Allowance).
 - (b) Labour Group to reduce to three Labour Spokespersons eligible to receive an SRA.
 - (c) All changes to SRAs to be applied from date of appointment to specific roles.
 - (d) Save as mentioned above, the terms of the Scheme currently in place should continue.

3. Submissions from Groups

- 3.1 The Panel received written comment from Robert Gordon, Leader of the Council, on behalf of the Conservative Group. Stephen Giles-Medhurst, Leader of the Liberal Democrat Group provided a written submission and attended the meeting. Judi Billing, Leader of the Labour Group attended on behalf of the Labour Group.

- 3.2 Robert Gordon (RG) wrote:

3.2.1 *As I understand it, the only issue before the Panel will be the opposition SRAs. In particular, I understand that the Liberal Democrat Group will be seeking an extra SRA. I do not have a particularly strong view on this and am content for the Panel to judge whether greater responsibility falls on the Liberal Democrat Group because they have 18 members (rather than 16 in the last Council; and 17 in the one before that). The changes are very marginal and, as SRAs (other than for the Group Leader) are not based on Group size (relative or absolute), it would not seem to be a strong case.*

3.2.2 *That said, I appreciate that it might seem odd for the minority opposition Group of 9 to receive the same SRAs (apart from Health Scrutiny and Group Leader) as the major opposition Group of 18. Again, the Panel will have to decide whether proportionality plays a part. Clearly, they concluded it did in the 2009-13 Council where the Labour Group of just 3 had no SRAs (except that for the Group Leader).*

- 3.3 Stephen Giles-Medhurst (SGM) provided a written submission to the Panel:

3.3.1 Overview.

Following the County Council Elections on May 4th I am making a submission that the Liberal Democrat Special Responsibility Allowances should be increased by one to reflect its increased opposition status and need to hold the administration to account especially with the councils increased responsibility for public health issues.

- 3.3.2 *In the former Council both the Labour and the Liberal Democrat Group had been allocated 4 Special Responsibility Allowances each. This however reflected the make-up of the council being 15 Labour, 16 Liberal Democrats. The new make-up is 9 Labour 18 Liberal Democrats.*
- 3.3.3 *I have discussed this at one of our Group Leaders meetings with the other party leaders from both Conservative and Labour and proposed that given our increased official opposition status we would like to bid for an additional 5th SRA. The Labour Group Leader accepted that they may be reduced to 3 SRAs if the Allowances panel were not mindful to increase the total number of opposition SRAs The Conservative Group Leader was content with this increase to the Lib Dem Group if the Allowances Panel were mindful to agree to it.*
- 3.3.4 *Need for accountability and opposition questioning.*
The Council has 8 Executive Members and 8 Deputy Executive Members with 8 Cabinet Panels of which these members Chair and Vice Chair. They receive 2 X the Basic Allowance and 1 X the Basic Allowances as SRAs for these roles. The Opposition spokespersons receive half a basic allowance.
- 3.3.5 *In the case of the Liberal Democrat Group the opposition Spokespersons perform the role of the Lead member of the Group questioning the decisions of the officers, putting forward proposals and holding the Executive Member to account. They act as official spokespersons to the media, In addition they form, with the myself as Leader and with other senior members - the two Committee Vice Chairs- what is known as a Shadow Cabinet. This meets in-between Council meetings, shadows the Cabinet of the County Council. At its meetings it has briefings from Senior Officers of the Council and Directors on issues facing the authority and this enables us to understand and better question the decisions taken. In particular as part of the budget cycle it will draw up an alternative budget to present to council.*
- 3.3.6 *The four roles are at present- to mirror the Panels and Executive members:*
- *Resources, Property & Enterprise,*
 - *Education, Children Services,*
 - *Adult Care and Health,*
 - *Environment, Planning & Transport.*
- 3.3.6 *However this does mean by and large covering two Panels. I as Group Leader take on the role for Highways.*
- 3.3.7 *Given the increased responsibility and the interface with the primary care trusts on Public Health, a new development over the last four years and the allocation of resources to the county council for this, I feel that a separate SRA covering Public Health and Community Safety is called for the official opposition to enable a 5th member to spend time to take on this role and receive an applicable allowance. If this were to be agreed I understand it would be backdated to the start of the Council year.*
- 3.4 *SGM attended the Panel and reiterated the case made in the written submission. He also noted the disparity between the SRA given to Deputy Executive Members (1XBA) and Spokespersons (0.5XBA).*

- 3.5 The Panel requested SGM's view regarding the distribution of SRAs within the Group. SGM noted that 5 SRA's does not allow the opportunity to give one SRA per Cabinet Panel (8). The Liberal Democrat Group therefore distribute the allowances according to focus of their group and distribution of responsibilities.
- 3.6 The Panel requested views as to the impact of non receipt of SRAs. SGM noted that members of his Group primarily carry out their duties based on their public service ethos rather than remuneration. However, he is of the view that SRAs are recognition of the additional effort and responsibility associated with the duties of a Spokesperson. He also noted that the additional SRA would allow the Group to bring in an additional member to the shadow cabinet and assist with succession planning.
- 3.7 In response to a question from the Panel, SGM expressed the opinion that responsibilities remained consistent across the Cabinet Panel portfolios.
- 3.8 The Panel thanked SGM for attending.
- 3.9 Judi Billing (JB) expressed the view that the changes to the portfolios were consistent with the previous distribution of executive responsibilities and therefore responsibilities remained equal across the portfolios.
- 3.10 JB noted that considering the result of the election her Group would not argue against a reduction of one Spokesperson SRA for the Labour group.
- 3.11 JB was content with the suggestion to increase the number of Spokespersons for the Liberal Democrat Group in line with the submission from SGM.
- 3.12 JB raised the remuneration for leader of the Labour group. The current calculation of 3.5XBA divided by 78 and multiplied by number of group seats has resulted in the Leader of the group receiving a smaller SRA than Spokespersons within the Group. She noted that the responsibilities and brief of the Opposition and the remit of the Council remained the same. She expressed the view that Group size could be considered as a component of the formula for calculating the SRA for Opposition Group Leaders rather than the sole variable.
- 3.13 The Panel thanked JB for attending.

4. Executive Member Special Responsibility Allowances.

- 4.1 The Panel reviewed the changes to the Executive Member portfolios as detailed in Annex 2 of the Constitution.
- 4.2 Having given due consideration to the revised portfolios, the Panel considered that the level of responsibility for all Executive Members remained similar and therefore recommends that the SRAs remain the same and at the same level for all Executive Members.

5. Group Spokespersons (eligible for an SRA).

- 5.1 The Panel considered the distribution of Group Spokespersons who are eligible for an SRA assigned to each Group, considering the changes to proportionality following the Council election in May 2017.

- 5.2 The Panel recommends that the Liberal Democrat Group increase to 5 Spokesperson SRAs (from 4) and the Labour Group reduce to 3 Spokesperson SRAs (from 4). The Panel are of the opinion that the recommendations are consistent with changes to proportionality within the Council and reflect the responsibilities of the Opposition Groups.

6. Other matters.

- 6.1 The Panel considered the submission by the Labour Group regarding the calculation of the SRA for Group Leaders. The Panel has requested that the matter be fully considered at the annual Independent Panel on Members' Allowances in November. The Panel requested that the following information be provided ahead of that meeting:

- Benchmarking information from other local authorities, to include information regarding the calculation of Group Leaders' SRAs.
- Specific submissions from each group on the matter ahead of the meeting.

- 6.2 The Panel recommends that all changes in SRAs be applied according to date of appointment to each role.

7. Costs

- 7.1 The additional cost of implementing the Panel's recommendations concerning Special Responsibility Allowances would be nil.

8. Future meetings

- 8.1 The Panel agreed the following date for their next meeting:
- Friday 17 November 2017 at 10am.

**Hazel Bentall,
Michelle Drapeau
Nicholas Eldred
Christopher Clark**

JUNE 2017