

WELWYN HATFIELD BOROUGH COUNCIL  
COUNCIL – 11 JULY 2016  
REPORT OF THE CHIEF EXECUTIVE

REVIEW OF MEMBERS' ALLOWANCES BY THE INDEPENDENT REMUNERATION PANEL

**1. Executive Summary**

- 1.1 The Council's Independent Remuneration Panel (IRP) has carried out a review of Members' allowances and made recommendations to the Council.
- 1.2 This report considers the recommendations from the Independent Remuneration Panel and suggests that these are adopted in full with a slight adjustment to the method of adoption.

**2. Recommendations**

- 2.1 That the Council adopts the recommendations of the Members Independent Remuneration Panel dated 21 January 2016 (slightly amended as illustrated in Annexe 2), but that the changes to the allowances be brought in with immediate effect from 1 July 2016 rather than phased over two years.

**3. Financial Implications**

The draft budget for Members' allowances for 2016/17 is £384,400. The estimated additional cost of the proposed scheme for the year 2016/17 is around £24,000. This has been built into the budget.

**4. Link to Corporate Priorities**

- 4.1 The proposals in this report meet the Council's key priorities of delivering value for money and effectively communicating what we do.

**5. Legal Implications**

- 5.1 The Council's Independent Remuneration Panel has been established under the Local Government Act 2000 and in accordance with the Local Authorities (Members' Allowance)(England) Regulations 2003, as amended.

**6. Climate Change Implications**

- 6.1 There are no new climate change implications as a result of the recommendations in this report.

**7. Risk Management Implications**

- 7.1 There are no risk management implications identified.

## **8. Security and Terrorism Implications**

8.1 There are no security and terrorism implications in relation to this report.

## **9. Equality and Diversity**

9.1 An initial impact assessment has been carried out and no differential impacts were identified.

## **10. Explanation**

10.1 Members will be aware that a full and comprehensive review of Members' allowances for Welwyn Hatfield Borough Council was carried out by an independent consultant in May 2009. The consultant made recommendations, inter-alia, to introduce increases to special responsibility allowances to bring them more into line with other comparable authorities.

10.2 The Independent Remuneration Panel considered the report at length in 2009 and had much sympathy with the recommendations of the independent consultant, but felt that at the time, given the strictures on local government spending, it was not appropriate to recommend those increases.

10.3 The Independent Remuneration Panel met in July 2015 and agreed that it was now an appropriate time for the increases in allowances recommended by the Independent consultant to be revisited. The Panel therefore carried out an exercise comparing the allowances paid to Welwyn Hatfield Borough Council with other comparable local authorities and found that Welwyn Hatfield's allowances had fallen a long way behind. The Panel therefore felt that it would be appropriate to recommend increasing allowances towards the median rate for Hertfordshire local authorities as set out in Annexe 1 to this report.

10.4 The Panel also recommended changes to the way that allowances for Opposition Group Leaders is calculated, as detailed in the minutes attached to this report as Annexe 1.

10.5 In view of the long delay in implementing the recommendations of the independent consultant, it would not be unreasonable to implement the changes recommended by the IRP in one year rather than phase them over two years.

10.6 Annexe 2 details the impact of implementing the changes in one go and a small amendment to the Deputy Leader's allowance to address an anomaly and updates the financial implications to reflect the current make up of the Council with the additional 1% increase agreed nationally for Officers.

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Date: June 2016