

WELWYN HATFIELD COUNCIL  
INDEPENDENT REMUNERATION PANEL – 2 FEBRUARY 2011  
REPORT OF THE CHIEF EXECUTIVE

WELWYN HATFIELD MEMBERS' ALLOWANCES SCHEME

**1 Executive Summary**

- 1.1 This report seeks the recommendations of the Independent Remuneration Panel on the level of allowances to be paid to Members for the financial year 2010/11 with effect from 1 July 2010.

**2 Financial Implication(s)**

- 2.1 An extract from the Members' Allowances Scheme providing information on the current level of payments is attached.
- 2.2 If the current allowances are frozen at the rates for 2009/10 there will be no effect on the budget.
- 2.3 Because mileage allowances have now been reduced to a flat rate of 40p per mile there will be an estimated saving of £4500 in this part of the budget.

**3 Background**

- 3.1 The Panel last met to review the level of allowances on 14 October 2009. The Panel considered the report of the independent review of the Members' Allowances Scheme carried out by consultants Solace Enterprises. At that time the Panel put on record its acknowledgement of the considerably increased burden on Councillors, especially Executive Members. The Panel felt that the Leader and Deputy Leader had particularly heavy workloads and were minded to review the remuneration of these two posts when the general economic situation improved. The Panel felt however that, despite the increased workloads, it was not in a position to agree large increases to Members under the present economic circumstances.
- 3.2 The Panel's recommendations were adopted at the Special Council Meeting on 25 February 2010.

**4 Level of Allowances**

- 4.1 Basic Allowance - the current level of basic allowance payable to all Members is £4,758. For the financial year 2009/10 this was frozen at the rate for 2008/09. The consultants last year recommended a basic allowance of £5000. The Panel although sympathetic to this, decided it would not recommend any increase at that time, but would be very willing to review this once the general economic situation had improved.

- 4.2 Special Responsibility Allowances – the Panel decided that it would recommend no changes. It did reiterate its recognition of the valuable role played by Members, especially the Leader, Deputy Leader and Cabinet Members and was willing to return to this and review it in twelve months time.
- 4.3 Leaders of the Opposition – The Panel agreed that both Leaders of the Opposition, The Labour Group and the Liberal Democrat Group should receive a special responsibility allowance each equivalent to that of a Cabinet Member. It was also recommended that the Deputy Leader of the Labour Group no longer get a special responsibility allowance.
- 4.4 Co-opted Members' Allowance – the Panel decided to recommend no changes to the allowance for co-opted Members on the Standards Committee, but would review this in a year's time in the light of the workload of the Standards Committee. There has been no change to the Committee's workload and its future operation is under review.
- 4.5 Deputy Mayor – the Panel recommended that the allowance paid to the Deputy Mayor be set at 25% of the Mayor's allowance.
- 4.6 Travel and Subsistence Allowances – the Panel agreed with the recommendation made by the consultants that the Council reimburse travel costs incurred by Councillors undertaking approved duties in line with the HMRC rate. The Council at its meeting on 15 November 2010 agreed to cut to a flat rate of 40p per mile the mileage allowance paid to all Members and employees irrespective of engine size with effect from 01 January 2011.
- 4.7 Care Allowance – the Panel agreed with the recommendation made by the consultants to introduce this at a rate of £6.00 per hour for children and £10.00 per hour for adults to be claimed by any Member of the Council where there is a child aged under 14 years residing at home or a dependent relative in need of special attention by reason of disability. The recommendation has not been implemented.
- 4.8 Access to Pension - the Panel agreed that it would not be appropriate to carry out a feasibility study at this stage.

## **5 Conclusion**

- 5.1 That in view of the impact on the Council's budget preparations this year of the Comprehensive Spending Review which outlines unprecedented cuts to local government funding resulting in substantial cuts of Government grant to the Council, the Panel consider again freezing Members' allowances for the financial year 2010/11 at the current rates and recommend no further changes.

Michel Saminaden  
Chief Executive  
January 2011

## WELWYN HATFIELD COUNCIL

### MEMBERS' ALLOWANCES SCHEME

#### 1. ENQUIRIES

- 1.1. Enquiries about allowances may be addressed to Graham Seal, Head of Committee Management (01707) 357444.

#### 2. BASIC ALLOWANCE

- 2.1. Basic allowance is payable at a flat rate to all elected Members of the Council.
- 2.2. If a councillor is elected to or leaves the Council during the year, basic allowance will be paid pro-rata for the proportion of the year during which the councillor has been a serving Member of the Council.
- 2.3. With effect from 1 July 2009, basic allowance will be paid at the rate of £4,758 per annum. Payment will be made in monthly instalments of £396.50.

#### 3. SPECIAL RESPONSIBILITY ALLOWANCE (SRA)

- 3.1. The Council has authorised the following payments in addition to Members' basic allowance: -

	<u>Per Annum (£)</u>	<u>Monthly (£)</u>
	<u>2009/10</u>	<u>2009/10</u>
Leader of the Council	9,207	767.25
Deputy Leader	6,444	537.00
Cabinet Member	5,520	460.00
Lead Member	3,690	307.50
Chairmen of Overview and Scrutiny Committees	3,894	324.50
Chairman of Planning Control Committee	3,690	307.50
Chairman of Hackney Carriage Committee	3,690	307.50
Chairman of Cabinet Panel	3,690	307.50
Chairman of Audit Committee	3,690	307.50
Chairman of Liquor & Regulated Entertainment Licensing Committee	3,690	307.50
Chairman of Appeals Committee	1,152	96.00
Leaders of Opposition Groups	5,520	460.00
Chairman of Standards Committee	5,520	460.00
Mayor	5,960	N/A
Deputy Mayor	1,490	N/A