

WELWYN HATFIELD BOROUGH COUNCIL
INDEPENDENT REMUNERATION PANEL – 10 FEBRUARY 2015
REPORT OF THE CHIEF EXECUTIVE

WELWYN HATFIELD MEMBERS' ALLOWANCES SCHEME

1 Executive Summary

- 1.1 This report seeks a recommendation from the Independent Remuneration Panel on the level of allowances to be paid to Members for the financial year 2014/15 with effect from 1 July 2014 and then also for the financial year 2015/16 with effect from 1 July 2015.

2 Financial Implications

- 2.1 An extract from the Members' Allowance Scheme providing information on the current level of payments is attached at Appendix A. The total cost of the scheme in 2013/14 was £343,975.47.
- 2.2 If the level of basic allowance and special responsibility allowances are increased by 1.1% in 2014/15 and then a further 1.1% in 2015/16 in line with the National Joint Council for Local Government Services pay award there will be a total additional cost of £3, 650 in 2014/15 and £3, 700 which will be contained within the overall budget.
- 2.3 Mileage is paid to Members at the HM Revenue and Customs (HMRC) flat rate of 45p per mile.

3 Background

- 3.1 The Panel last met on 21 October 2013 to review the level of allowances for the financial year 2013/14. As has been the convention, the Panel at that meeting recommended that they be increased in line with the National Joint Council for Local Government Services annual pay award which for that year was 1% with no further changes being made. Before then allowances had been frozen since 2008/09.
- 3.2 The Panel has previously considered the recommendations of an independent Consultant who had reviewed the Members' Allowances Scheme. The Consultant's review highlighted a number of allowances which could be increased. However, the Panel felt that due to the general economic situation these increases could not be supported, but it would be willing to review these in the future once the situation had improved.

4 Level of Allowance

- 4.1 Travel and Subsistence Allowances – the Panel has previously agreed to reimburse travel costs incurred by Councillors undertaking approved duties in line with the HMRC rate.

- 4.2 Care Allowance – the Panel previously agreed with the recommendation by the Consultant’s review to introduce this allowance 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 under 14 years residing at home or a dependent relative in need of special attention by reason of disability. This recommendation has not been taken up, but it remains open to the Council to do so.
- 4.3 Access to Pension – it was previously agreed by the Panel that it would not yet be appropriate to carry out a feasibility study.
- 4.4 Comparative data for Members’ allowances rates for 2014/15 is attached at Appendix B.

5 Conclusion

- 5.1 The Panel has adopted the convention when reviewing Members’ allowances to recommend to the Council that they be increased in line with the National Joint Council for Local Government Services annual pay award which for this year is 1.1% followed by a further 1.1% for the following financial year.
- 5.2 In approving the application of the pay award to its employees at the Council meeting on 12 January 2015, it was resolved that all Councillors’ allowances be increased in the same way, following due consideration by this Panel (Minute 48(3) refers).
- 5.3 The Panel is recommended therefore to increase Members’ Allowances by this same amount for 2014/15 with effect from 1 July 2014 and then again for 2015/16 with effect from 1 July 2015 with no other changes.
- 5.4 This recommendation will be reported for consideration to the special Council meeting on 25 February 2015.

Michel Saminaden
Chief Executive
February 2015

WELWYN HATFIELD COUNCIL**MEMBERS' ALLOWANCES SCHEME****1. ENQUIRIES**

- 1.1. Enquiries about allowances may be addressed to Graham Seal, Governance Services Manager (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 2013, basic allowance will be paid at the rate of £4,806 per annum. Payment will be made in monthly instalments of £400.50.

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>2013/14</u>	<u>2013/14</u>
Leader of the Council	9,300	775.00
Deputy Leader	6,508	542.50
Cabinet Member	5,574	464.50
Lead Member	3,726	310.50
Chairmen of Overview and Scrutiny Committees	3,933	327.75
Chairman of Development Management Committee	3,726	310.50
Chairman of Hackney Carriage Committee	3,726	310.50
Chairman of Cabinet Panel	3,726	310.50
Chairman of Audit Committee	3,726	310.50
Chairman of Liquor and Regulated Entertainment Licensing Committee	3,726	310.50
Chairman of Appeals Committee	1,164	97.00
Leaders of Opposition Groups	5,575	464.50
Chairman of Standards Committee	5,575	464.50
Mayor	6,020	N/A
Deputy Mayor	1,505	N/A