

WELWYN HATFIELD COUNCIL  
COUNCIL – 21 JULY 2008  
REPORT OF THE CHIEF EXECUTIVE

WELWYN HATFIELD MEMBERS' ALLOWANCES SCHEME – MEETING OF THE  
INDEPENDENT REMUNERATION PANEL 24 JUNE 2008

**1 Executive Summary**

- 1.1 The Independent Remuneration Panel met on 24 June 2008 to review the level of allowances paid to members of the Council. This report sets out the recommendations of the Panel.

**2 Financial Implication(s)**

- 2.1 The total budget for members' allowances, including mileage allowances, for 2008/09 is £341,150.
- 2.2 The Independent Remuneration Panel's recommendation is to increase basic and special responsibility allowances in line with the increase in employee pay, which has not yet been agreed for 2008/09, up to a maximum limit of 3%. The Council has budgeted for an increase of 3% in allowances, in line with the budget for employee pay, and an increase of up to 3% would have no additional effect on the budget for 2008/09.
- 2.3 If the Council agrees to implement the recommendations of the Independent Remuneration Panel in respect of car mileage allowance levels, an increase for 2008/09 of £750 would be required, £400 of which has already been included in the budget for this year.
- 2.4 If the Council agrees to the recommendations in respect of travel expenses for site visits by Planning Control Committee members, the maximum additional cost would be £1,480, and, if the additional payment in respect of the work of the deputy mayor from February to May is approved, the cost would be £1,000.
- 2.5 The total of these increases and additions amounts to £2,830.

**3 Recommendations**

- 3.1 That the Council consider the recommendations of the Independent Remuneration Panel.
- 3.2 That, if the Council accepts the Panel's recommendations, the budget for members' allowances be increased by £2,830.

**4 Explanation**

- 4.1 The Panel's recommendations in respect of basic allowance, special responsibility allowances, and travel allowances are set out in the following paragraphs.

## **5 Scheme Of Councillors' Allowances:**

### **5.1 Levels of allowances in relation to the workload of members of the Council**

At the Panel's meeting last year, it had been agreed that a further evaluation of the time spent on Council duties by all members would be carried out, in order to inform the decision making in 2008. However, the Panel noted that the provisions of the Local Government and Public Involvement in Health Act 2007 would introduce some significant changes to the governance of local authorities, including the appointment of a leader with considerably increased powers and that new powers were being introduced in respect of arrangements for scrutiny by elected members, which would also be likely to have an impact on the Council's scrutiny arrangements, the new arrangements probably being introduced by 2010.

Taking account of the potential changes in the role of members of the Council and the posts of special responsibility and the possible consequences for the workload of councillors, the Panel agreed that a detailed review of the time spent on Council duties by members be deferred until the new governance arrangements were in place and members had sufficient time to assess the impact on their work.

### **5.2 Increase in allowance rates**

The Panel was reminded that the previous year members' allowances had been increased by 2.475%, in line with the local government pay settlement. Members of the Panel commented on the current financial climate which was leading to restricted pay increases and possible redundancies in the private sector and felt that it would be difficult to justify using public money to increase members' payments by more than the increase in officer rates. They agreed that an increase in line with employee pay could be justified because the employee pay settlement was nationally agreed and took account of the financial position of local authorities. It was noted that the pay settlement for employees had not yet been agreed, but that the offer from employers was 2.45%. The Panel was also mindful that payment from public funds should be considered carefully in the light of the hardship being faced by many people and agreed that, whatever the employee pay settlement, the increase in payment to members should be limited to a maximum of 3%.

### **5.3 Comparison with other Hertfordshire authorities**

The Panel considered the rates of councillors' allowances in relation to the rates paid at other Hertfordshire authorities. The Panel was satisfied that the rates at Welwyn Hatfield remained at about the mid point of the range paid in other authorities, and that this was an appropriate level for Welwyn Hatfield in comparison with other councils in Hertfordshire.

### **5.4 Special Responsibility Allowances**

The Panel considered the posts eligible for payments to members to take account of special responsibilities such as executive responsibilities and chairmanship of committees. It was noted that, at the Annual Council meeting on 19 May, the Cabinet IT Panel had been discontinued and that the status of the Taxi Quality Partnership had been changed to report directly to Cabinet.

In respect of the Taxi Quality Partnership, the Panel noted that the role of Chairman had involved a significant amount of work over the previous year and agreed that the post should attract a special responsibility allowance at the same rate as

Cabinet Panel chairmen, backdated to the Annual Council meeting, when the change in status had been approved.

The Panel also noted that, during the illness of the Mayor between February and May 2008, the Deputy Mayor had attended a large number of functions on his behalf, incurring extra expenditure, not covered by the small annual allowance paid in respect of the Deputy Mayor post. The Panel agreed to recommend that a single allowance payment of £1,000 be made to Councillor M.J.Long to cover the additional expenditure incurred. The Panel also wished to record its thanks to Councillor Long for his additional work deputising for the Mayor.

The Panel took the view that, apart from these two matters, there were no other changes in special responsibilities which warranted the payment of a separate allowance.

#### 5.5 Care Allowance

The Panel considered whether an allowance should be made to members to recompense them for necessary expenses of providing care for children or adult dependants to enable members to attend Council meetings. It was noted that the Panel's previous decision had been that such costs be met from the basic allowance. The Panel took into account that it would not want to discourage people from standing as councillors and that a number of other Councils included care allowance within their schemes. It was agreed that further research be carried out on the rates of allowance and criteria for payment in other authorities and the likely uptake of such a scheme in Welwyn Hatfield and that another report be made to the Panel in due course.

#### 5.6 Approved duties for travelling expenses

The Panel noted that a recent review had been carried out by members of the procedures and practices of the Planning Control Committee. The review group had noted that the Planning Code of Guidance required members to familiarise themselves with application sites and was concerned that some Committee members might be discouraged from making site visits because the members' allowance scheme only paid travel expenses for individual site visits to the Chairman of the Committee and not to ordinary members, except when the site visits were formally arranged for the full Committee. The Review Group had felt this could be a particular problem for councillors living in parts of the borough furthest away from application sites. The Planning Control Committee therefore agreed to recommend to the Independent Remuneration Panel that it should consider extending the travel expenses categories to include individual site visits by Planning Control Committee members.

The Panel expressed concern that it would not be possible to assess the effect on the budget for travelling expenses of such a change or to monitor or control the level of claims which might be made. Members also commented that individual site visits would not be appropriate or necessary for all applications, depending on whether the view of the site from the street was relevant to the application. Following consultation with the Head of Development Control on whether sites eligible for travel expenses could be identified before each meeting, members were advised that this would not be appropriate because omission from the list might suggest that it was not necessary for members to view a site.

The Panel agreed that an appropriate alternative would be to set a maximum mileage which could be claimed for individual site visits for each meeting. It was noted that mileage to visit all the sites from the Council offices averaged around twenty to thirty miles per month. Taking into account that committee members would not need to visit all the sites, because many streets / areas would already be known to some members and that in many cases application sites would be fairly close to home addresses for some of the members, it was agreed that around fifteen miles per month would be a reasonable maximum mileage which could be claimed. It was noted that if every member of the committee were to claim for fifteen miles every month, then the maximum extra cost to the Council would be £1,480, but in practice it was likely that the actual claims level would be less than that.

#### 5.7 Mileage allowance

The Panel considered the level of travelling expenses paid to councillors. It was noted that the nationally agreed rates for reimbursement of travel expenses for employees had increased in April 2007. The Panel also noted that the total budget for members' travel claims remained low, at about £14,000, and that an increase would not therefore have a significant effect on the Council expenditure. It was therefore agreed that the mileage rate should be increased to the current rate paid for casual car usage to officers.

#### 5.8 Effective date of allowance changes

The Panel confirmed that increases in mileage allowances should take effect from 1 July 2008 and that increases in basic and special responsibility allowances in line with the increase in employee pay rates, should be backdated to 1 July 2008.

### 6 Recommendations Of The Panel:

Following consideration of the Members' Allowances Scheme, the Panel made the following recommendations.

- (1) That for 2008/09, the basic and special responsibility allowances be increased by the same average percentage increase as local authority employee pay rates, subject to a limit of 3%.
- (2) That authority be delegated to the Chief Executive to set the actual amount of each allowance in line with the employee pay increase, for endorsement by members of the Panel, when the employee pay increase has been announced.
- (3) That mileage allowance for 2008/09 for cars and motor cycles be increased to the same level as that paid to officers for casual car usage as follows:-

#### Cars

Up to 999cc	42.9 pence per mile
1000cc to 1199cc	46.9 pence per mile
exceeding 1199cc	58.7 pence per mile

#### Motor Cycles

Up to 125cc	20.44 pence per mile
Over 125cc	31.99 pence per mile

- (4) That increases in allowances should take effect from 1 July 2008, payment to be backdated where relevant.
- (5) That a special responsibility allowance, at the same rate as that paid to chairmen of Cabinet Panels, be paid to the Chairman of the Taxi Quality Partnership.
- (6) That a single honorarium be paid to Councillor M.J.Long, in recognition of the additional work carried out as Deputy Mayor during the illness of the Mayor between February and May 2008 and to reimburse him for the additional expenditure incurred.
- (7) That research be carried out into the possibility of paying care allowance in respect of the necessary care for children or adult dependants required to allow members to attend Council meetings.
- (8) That the list of approved duties eligible for travelling expenses be amended to include individual site visits by members of the Planning Control Committee to sites of planning applications due to be heard by the Committee, up to a maximum claim of fifteen miles per meeting, members to be required to state on the claim form the sites for which they are claiming mileage.

#### Members of the Panel

David Ball, Dean of Students, University of Hertfordshire  
Sue Beck, Public Health Partnership Manager, Primary Care Trust  
Terry Mitchinson, Editor, Welwyn Hatfield Times

#### Appendices

- A Summary of Welwyn Hatfield current allowance rates
- B Rates paid in Hertfordshire local authorities

Michel Saminaden, Chief Executive  
July 2008