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24 January 2019

To: All Members of the Standards Committee

Dear Member,

Standards Committee - Monday, 28th January, 2019

I attach a copy of the following reports for the above-mentioned meeting which were not available at the time of collation of the agenda:

**7. UPDATE ON MEMBER'S ALLOWANCE SCHEME 2019/20 (PAGES 1 - 24)**

Yours sincerely

Ayshe Simsek,  
Acting Democratic Services and Scrutiny Manager

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**Report for:** Standards Committee 28 January 2019

**Title:** Update on Members' Allowances Scheme

**Report**

**Authorised by:** Bernie Ryan, Assistant Director Corporate Governance and Monitoring Officer

**Lead Officer:** Ayshe Simsek | 020 8489 2929 |  
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**Ward(s) affected:** N/A

**Report for Key/**

**Non Key Decision: Non-Key**

**1. Describe the issue under consideration**

- 1.1 Following discussions on the Members' Allowances Scheme, this paper seeks Members' comments on the Allowance Scheme for 2019/20 that need to be considered for the next report to committee meeting in March, noting that there is an additional report on the proposals relating to recognising, maternity, paternity and sick pay for councillors.

**2. Cabinet Member Introduction**

N/A.

**3. Recommendations**

The Committee is asked:

- 3.1 To receive an update on the activities of the Deputy Cabinet Member role at the March meeting and consider the additional remuneration of these posts at this meeting.
- 3.2 To consider recommending to full Council in March that there is a 1% uplift to allowances in March for 2019/20 scheme.
- 3.3 To agree the deletion of section 3.02 – Telephones and IT, as this information is no longer correct.
- 3.4 To make any further comments on Appendix A which would need to be considered in the March report to the Committee on Member's Allowance Scheme.
- 3.5 To agree a review of the Member Allowance Scheme is completed between May 2019 and March 2020 for implementation in 2020/21, undertaking analysis of roles and responsibilities with reference to neighbouring and comparator boroughs as well as considering the recommendations of the Independent Remuneration Panel.

#### **4. Reasons for decision**

- 4.1 The Council has a legal duty to approve a Members' Allowances Scheme before the end of each year to cover the following year. The Council can amend a scheme any time during the year but can only revoke a scheme with effect from the beginning of the year. The scheme must make provision for basic allowances and, if they are to be paid, special responsibility, dependents' carers, travelling and subsistence and co-optees' allowances.

To ensure that the Special Responsibility Allowances reflects the roles and responsibilities of the banding positions.

The increase in the uplift is proposed to respond to inflationary increases and would be lower than the proposed staff uplift of 2%.

#### **5. Alternative options considered**

- 5.1 To not agree a scheme for 2019/20 which would be contrary to the legal duty of the Council.

#### **6. Background information**

- 6.1 The Local Authorities (Members Allowances) (England) Regulations 2003 allow London Boroughs to use an independent remuneration panel set up for the purpose of making recommendations across London. London Councils set up a panel for this purpose in 2001 and its most recent report was published in January 2018 and is attached as Appendix 2. Although the IRP makes recommendations, it is for each individual Council to decide the level of remuneration and for which roles. The 2018 recommendations have been considered in the compilation of the Members Allowance Scheme for 2018/19 following a review by the Standards Committee of the scheme undertaken between May 2017 to March 2018. The Standards Committee may wish to consider undertaking a similar review between May 2019 to March 2020, following Council changes in May 2018 and assessing if there has been a change in roles and increase/decrease in responsibilities of the positions receiving an SRA.
- 6.2 In concluding the previous review of Member Allowances, the Committee, at its meeting in March 2018, also noted that the scheme may need to be reconsidered if there were changes after the election.
- 6.5 The Leader of the Council has indicated that it would be his intention to continue with the appointment of 2 Assistant Cabinet Member posts In May 2019.

#### **Appointing Assistant Cabinet Members**

- 6.6 The definition of the Assistant Cabinet Members from the Constitution (Part 3, Section C, section 4 – advises that:

The Council may appoint Assistant Cabinet Members to provide an effective link between the Cabinet and other Councillors and to assist Cabinet Members generally and with specific roles within their portfolio.

The Assistant Cabinet Members:-

- (a) May not take Cabinet decisions
- (b) May have specific areas of focus within the relevant portfolio area
- (c) Will be able to substitute in certain circumstances for the Cabinet Members but not if a decision is to be made as part of the Cabinet arrangements
- (d) Can attend and participate in the absence of the relevant Cabinet Member at meetings of the Cabinet with the permission of the Leader but cannot vote
- (e) Cannot participate in a Scrutiny Panel or Review that is examining an area of policy within the relevant Cabinet Member portfolio responsibilities
- (f) May put questions to Cabinet Members at Council Question time but not in respect of the portfolio to which they have responsibility as an Assistant Cabinet Member
- (g) Assistant Cabinet Members may not take part in Cabinet decision-making in any way.

- 6.7 Should an SRA be approved for the two Assistant Cabinet Member posts, the number of Members that receive an allowance would increase from 26, to 28. Although the guidance advises that no more than 50% of Members should receive an SRA, the Mayor and Deputy Mayor are excluded from this calculation as they are not provided with an SRA, but rather an allowance to reflect the expenditure incurred in the course of their mayoral duties. This is set out at page 6 of the guidance (under "Allowances for Mayor or Civic Head"). Therefore, if the Committee are minded to recommend the amendment for approval by full Council, this would still be in line with the guidance.
- 6.8 With regard to funding the additional two roles, the previous Member's Allowance Scheme re-banding exercise, completed by the Committee between March 2017 and March 2018, generated a net saving of £25,193 against expenditure in 2017-18. Full Council further agreed a 1% uplift to allowances in March 2018

## **7. Contribution to strategic outcomes**

Members of the Council are directly responsible for the setting and oversight of all strategic priorities.

## **8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)**

### **Finance**

The uplift will require an increase in the Members Allowances budget of £15,077. The two additional assistant cabinet member posts will also require an additional £18,794 allocation to the Members allowances budget, if the top end of the band 1 salary banding was applied. This would be offset by the net saving of £25,193 which was generated by the members Allowance scheme review in 2017/18.

**Legal**

Legal implications are contained within the body of this report.

**Equality**

The decision to approve allowances to members does not have a direct impact on the equality duty of the council, other than that the scheme includes provision for payment for parent/carers allowances to facilitate the attendance of parents and carers at meetings and in relation to carrying out the general responsibilities of councillors.

**9. Use of Appendices**

Appendix 1: Draft Members' Allowances Scheme 2019-20

Appendix 2: 2018 report of the Independent Panel on the Remuneration of Councillors in London

Appendix 3 Information on neighbouring borough SRA schemes.

**10. Local Government (Access to Information) Act 1985**

N/A

# Part 6

## Members' Allowances Scheme

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### 1. SCHEME FOR THE PAYMENT OF MEMBERS' ALLOWANCES

- 1.01 Made in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 and in force for the municipal year 2018/19 1 April 2018 to 31 March 2019).

### 2. BASIC ALLOWANCE

- 2.01 Each Councillor will be entitled to receive the sum of £10, 810 by way of Basic Allowance.
- 2.02 If a Councillor does not serve as such for the whole 12-month period or becomes disqualified, he/she will only be entitled to receive pro-rata payment for the period(s) during which he/she actually was a serving Councillor. This principle applies to education representatives on scrutiny bodies and employee and employer representatives on the Combined Pensions Committee and Board (co-optees).

### 3. INCLUDED EXPENSES

- 3.01 Travel Expenses.  
The Basic Allowance includes all travel within the M25. Councillors are not entitled to any form of concession or special permit as Councillors for parking in the Borough.
- ~~3.02 Telephones and I.T.  
The Basic Allowance includes Councillors' telephone call charges, both mobile and landline, for which Councillors are billed individually. The Council meets the rental for apparatus, including broadband, and all data charges.~~

### 4. MAYORAL ALLOWANCES

- 4.01 The additional allowances for the Mayor and Deputy Mayor are:
- (a) The Mayor is entitled to an additional allowance of £16,965.
  - (b) The Deputy Mayor is entitled to an additional allowance of £4,238.

**5. SPECIAL RESPONSIBILITY ALLOWANCES**

5.01 For the period 1 April 2018 to 31 March 2019, Haringey Council will allocate Special Responsibility Allowances in six bands, to Councillors who take on certain additional roles, in accordance with Table A below. If a Councillor does not serve as such for the whole period or becomes disqualified, he/she will only be entitled to receive pro-rata payment for the period(s) during which he/she actually was a serving Councillor.

**Table A**

<b>Band</b>	<b>Position</b>	<b>Special Allowance</b>	<b>Total Allowance</b>
Band 4	<ul style="list-style-type: none"> <li>• Leader</li> </ul>	£33,926	£44,736
Band 3B	<ul style="list-style-type: none"> <li>• 9 or fewer x Cabinet Members</li> </ul>	£25,443	£36,253
Band 3A	<ul style="list-style-type: none"> <li>• Chair of Overview and Scrutiny Committee</li> </ul>	£23,134	£33,944
Band 2B	<ul style="list-style-type: none"> <li>• Chief Whip</li> <li>• Chair of Regulatory Committee</li> <li>• Chair of Alexandra Palace and Park Board</li> <li>• Leader of the Principal Opposition</li> </ul>	£16,965	£27,775
Band 2A	4 x Councillors serving on Overview and Scrutiny Committee	£15,421	£26,231
Band 1B	<ul style="list-style-type: none"> <li>• Chair of Combined Pensions Committee and Board</li> <li>• Chair of Staffing and Remuneration Committee</li> <li>• Chair of Standards Committee</li> <li>• Chair of Corporate Committee</li> <li>• Vice Chair of Regulatory</li> <li>• <del>Leader of the second Opposition Group or</del> Deputy Leader of the Principal Opposition</li> <li>• Chief Whip of the Principal Opposition</li> </ul>	£8,482	£19,292



## Appendix A

Band 1a	Deputy Cabinet Member and no more than 2 positions		<u>TBC</u>
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**6. MULTIPLE RESPONSIBILITIES**

- 6.01 Where a Councillor holds more than one post of special responsibility, he/she may only receive one Special Responsibility Allowance. Where a Councillor holds more than one post of special responsibility and the posts have Special Responsibility Allowances of different monetary values, the Councillor would receive the higher one. For the purposes of this paragraph, the Mayor and Deputy Mayor count as posts of special responsibility.

**7. CO-OPTEES' ALLOWANCES**

- 7.01 Each education representative on scrutiny bodies and each employee and employer representative on the Combined Pensions Committee and Board is entitled to an allowance of £154 per meeting attended, to a maximum of £616. No allowances are payable to others who are not elected Councillors.

**8. BABYSITTING AND DEPENDANTS ALLOWANCE**

- 8.01 Councillors and non-elected members can claim this allowance based on the following:
- (a) That reimbursement be made at the London Living Wage. The period of payment should include the time of the meeting, together with reasonable travelling time of the member, plus any necessary travelling expenses of the carer to and from their home.
  - (b) Children over the age of 16 must not be claimed for, unless suffering from an illness or disability making constant care essential.

**9. TRAVELLING AND SUBSISTENCE ALLOWANCE**

- 9.01 Councillors can claim this allowance for attending approved meetings, training and conferences etc. only to the extent that it involves travel outside the M25. Claims must be based on the following:

Appendix A

(a) The mileage rate for travel by private car is 34.6 pence per mile. An extra 3 pence per mile is payable for each passenger for whom a travelling allowance would otherwise be payable. The cost of tolls, ferries and parking charges can be claimed.

(b) The mileage rate for travel by solo motor cycle is :

Not exceeding	150 cc	8.5 pence per mile
Over	150 cc but not over 500 cc	12.3 pence per mile
Over	500 cc	16.5 pence per mile

(c) On public transport only the ordinary or cheaper fare can be claimed where more than one class is available.

(d) The cost of a taxi, including a reasonable tip, can be claimed only in case of urgency or where public transport is not practicable or reasonably available.

(e) The maximum rates for subsistence allowance on approved duties are as follows:

For an absence of more than 4 hours before 11.00	£4.92
For an absence of more than 4 hours including lunchtime between 12.00 and 14.00	£6.77
For an absence of more than 4 hours including the period 15.00 to 18.00	£2.67
For an absence of more than 4 hours ending after 19.00	£8.38

## 10. CLAIMS AND PAYMENTS

10.01 Where a Councillor is also a Councillor of another authority, that Councillor may not receive allowances from more than one authority in respect of the same duties.

10.02 The Basic Allowance and Special Responsibility Allowances will be paid in equal monthly instalments.

10.03 The Co-optees' Allowance must be claimed by, and will be paid at, the end of the municipal year, subject to paragraphs 2.02 above and 10.05 below.

10.04 All claims for Travelling and Subsistence Allowance and Babysitting and Dependents Allowance must be made within two months of the relevant meeting or the costs being incurred by the Councillor or non-elected member, subject to paragraph 10.05 below.

10.05 If any Allowance under paragraphs 10.03 or 10.04 is not claimed within the prescribed time limit, the Democratic Services Manager shall have a discretion to make the payment nonetheless.

Appendix A

- 10.06 Any Councillor or non-elected member may elect to forego his/her entitlement to all or part of any allowance by giving written notice at any time to the Democratic Services Manager.

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# The Remuneration of Councillors in London 2018

Report of the Independent Panel



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## Introduction

The Local Authorities (Members' Allowances) (England) Regulations 2003 ('the Regulations') authorise the establishment by the Association of London Government (now London Councils) of an independent remuneration panel to make recommendations in respect of the members' allowances payable by London boroughs. Such a panel ('the Panel') was established and reported in 2001, 2003, 2006, 2010 and 2014. It now comprises Sir Rodney Brooke CBE DL (Chair), Steve Bundred and Anne Watts CBE.

The Regulations require a review of the scheme every four years as a minimum. The current Panel has therefore completed a review of remuneration for councillors in London. We present our findings and recommendations in this report.

As a preparation for our work, we invited all London boroughs to give their views on the operation of the existing scheme. We are grateful for the feedback, which confirms that the existing London scheme of members' allowances is still fit for purpose. We make recommendations accordingly (**recommendations throughout the report are in bold type**). However, where issues have arisen from the comments we received, we have addressed them in this report.

## The role of elected members

In our previous reports we reflected on the importance of the role of elected members. We repeat at Appendix B the job profile for councillors which we originally included in our 2010 report. The feedback we have received is that it continues to be appropriate.

The Local Governance Research Unit, based at Leicester Business School, recently launched a Councillor Commission as an independent review of the role and work of the councillor. The Commission's report points out that councillors oversee million-pound budgets, balancing complex financial pressures at a time of severe cutbacks in local authority spending, making decisions which will affect their areas for decades to come. In London each Borough Council is responsible for services crucial to its residents. Each has a revenue budget of up to £1.4bn as well as a substantial capital programme. The scale of their turnover and other financial activities are in many instances comparable with those of large publicly quoted companies.

Councillors are faced with unenviable choices. Demand for local authority services continues to grow. In particular, there is rapid growth in the number of old people with a corresponding increase in demand for social care. London itself faces acute housing problems. Councillors have an increased responsibility for health. Thus the strain on and competition for resources increase the demands made on elected members. The responsibilities and accountabilities are made clear after a tragedy like the Grenfell Tower fire.

The evidence we received confirms that the workload and responsibilities of councillors continue to increase and that their role has become more complex, and not only in the areas of social care, housing and health. There has been growth in the number of sub-regional meetings, partnerships and joint bodies (such as Boards for Health & Wellbeing and Safer Neighbourhoods) which require the commitment and time of leaders, cabinet members and front-line councillors. Partnership engagement makes great demands on councillors. There has been a marked increase in informal meetings, such as working groups, forums and community gatherings as well as formal meetings like local authority companies. The expectations of the public continue to rise.

While valuable to democracy, the use of social media adds to the pressure on councillors by increasing demands from their constituents in several different ways. Communication with councillors is not only easier but immediate. The public expects a speedy response, so that it is now more difficult for councillors in employment to deal with concerns as quickly as voters expect. Not only do social media make it easier for their constituents to get hold of councillors, but they also enable an isolated concern to become an organised campaign.

## Recruitment of councillors

We received evidence that it is increasingly difficult to recruit people of quality who are prepared to stand for office as councillors. Though the low level of allowances was mentioned as a reason for this, a major disincentive is the time commitment required of a councillor. That time commitment (as well as finance) can make it difficult to combine the role with a job and a family life. As one councillor commented to the Leicester Business School Commission, 'Serving on outside bodies means that I am working every day of the week, weekends too'. As was pointed out in responses we received, the problem is exacerbated in London, where councillors are on the whole younger than in other parts of the country and often in employment. They also face substantially higher costs of living.

Though the time commitment may be the main disincentive to service as a councillor, it is important that, as far as reasonably possible, financial loss does not prevent people from becoming councillors. Allowances are not shown by polls to be something which influences councillors to take on the role, though they are instrumental in making it possible for some people to do so. Allowances should be set at a level that enables people to undertake the role of councillor, while not acting as an incentive to do so. If it is important that there are no financial incentives to being a councillor, it is equally important that there should not be a financial disincentive. It is clearly desirable that service as a councillor is not confined to those with independent means.

Since our last report the Government has removed the possibility of councillors joining the local government pension scheme. We believe that access to the pension scheme can be an important factor in making service as a councillor financially possible for a wider range of people. It is particularly significant for those who, like elected mayors, leaders and portfolio holders, give most or all of their time to service in local government and lose the opportunity to contribute to a pension scheme elsewhere. Loss of access to a pension scheme imposes a further financial penalty on councillors.

We do not repeat the arguments for appropriate remuneration for councillors which we have set out in our previous reports. We believe them to be self-evident. But we do repeat our belief in the importance of local democracy and the role of councillors within it.

## The current financial and political climate

Because of the current financial climate, the local government pay settlement in recent years has been severely limited. Since our last report there have been three awards of 1%. Acutely sensitive to the current financial austerity, some boroughs have frozen members' allowances and failed to apply the pay awards to them. Indeed some boroughs have even reduced members' allowances.

Our recent reports have made no recommendations for increasing the levels of members' allowances other than continuing provision for annual adjustments in accordance with the annual local government pay settlement. As the Government-appointed Councillors' Commission pointed out in their 2007 report, the recommendations of the London Panel has led to some convergence of members' allowances across London. Indeed, the Councillors' Commission recommended a similar system for the country as a whole. Following our recommendations, there is now considerable congruity in the basic allowance made by London boroughs.

However, most London boroughs have not adopted our recommendations in their entirety and there remain substantial differences in the amount of special responsibility allowances. We fully recognise that now is not the time to contemplate a general increase in councillors' allowances. Nevertheless we hope that in the longer term the financial situation will permit further convergence of members' allowances around our recommendations.

## Level of Basic Allowance

In our last report we recommended that there should be a Basic Allowance paid to every councillor of £10,703. Updated for the local government staff pay awards since then, the figure is now £11,045. Given the loss of pension rights; growth in the volume and complexity of the work of councillors; and the limited increase in the Basic Allowance since our last report, we believe that there is a strong case for considering a larger increase. The basic allowance is now less than the allowances paid by many similar authorities outside London. In Wales, for example, the government-



appointed commission sets the basic allowance at £13,400 for members of local authorities with populations which are generally substantially lower than those of London boroughs.

However we reluctantly accept that, in the current financial climate, it would be inappropriate to recommend a general increase in members' allowances (beyond the annual updating). Pegging an annual increase to staff pay awards will ensure that councillors can receive annual increases which are in line with those received by staff. **We therefore recommend that the Basic Allowance be set at £11,045.** We believe that it remains sensible to frame recommendations which are common across London.

### Special Responsibility Allowances

Given the extent of the responsibilities of leaders of London boroughs, the Panel's first report in 2001 recommended that their remuneration should equate to that of a Member of Parliament. [Our recommendations for other special responsibility allowances are related to that recommended for leaders.]

Since then the increase in the remuneration of Members of Parliament has substantially exceeded the annual local government pay increase to which we tied the special responsibility allowance for the leader of a London borough. At the time of our last report an MP received a salary of £67,060 while our recommendation for a borough leader (increases having been restricted to the local government staff pay increases) was for total remuneration of £65,472, a difference of £1,588. Updated for the local government pay awards, our recommendation for the current total remuneration of a London borough leader would be £68,130. Meanwhile the salary of MPs has increased to £76,011, a difference of £7,881. Moreover MPs continue to be entitled to a pension as well as to sundry other benefits (such as termination payments) which are not available to leaders.

In our current consultation we enquired whether the remuneration of an MP remains a sound comparator to fix the remuneration of a borough leader. In general the responses agreed that the comparator was appropriate and, if anything, that the Leaders of London boroughs warranted a higher remuneration than an MP, because they had greater financial responsibility and legal burdens, and especially given the differential pension arrangements. Indeed one respondent authority suggested that the direct responsibilities of a Leader should command the salary of a Junior Minister.

We sympathise with the responses. Certainly the way in which MPs' remuneration has outpaced that of leaders would prompt a review of the Leaders' allowances had the Panel not had regard to the current stringent economic circumstances. For the same reasons which prompt us to peg the Basic Allowance, **we recommend that the special responsibility allowance for a Leader should be in accordance with our former recommendation, plus the subsequent local government staff pay awards, ie £57,085. We recommend the maintenance of its relation to other special responsibility allowances, as set out in the Appendix to this report.** Nevertheless we hope that parity of the remuneration of the Borough leaders with the remuneration of Members of Parliament will be restored when the economic situation eases and that the other Special Responsibility Allowances will then be adjusted accordingly.

### Interpretation of the Scheme

The responses from the boroughs generally indicated no problems with interpretation of our recommendations, though many had adopted lower figures, especially for special responsibility allowances. We continue to believe that the scheme we propose is sufficiently flexible to accommodate the varying political management arrangements of different London boroughs. Specifically, we were asked for guidance on what percentage of councillors should receive a special responsibility allowance. **We reiterate our view that no more than 50% of councillors should receive a special responsibility allowance. We also continue to believe that no member should receive more than one special responsibility allowance though we accept that there might exceptionally be special circumstances where allocation of more than one Special Responsibility Allowance might be justified, eg where members undertake a number of different time-consuming roles such as sitting on licensing hearings.**

We were asked to give more detailed guidance on the roles allocated to different bands and whether these could be tied to the time commitment required of a role, expressed as a percentage of the time commitment of the Leader. However, we believe that the percentages we identify should be tied not only to time commitment but also to levels of responsibility.

## Training and Support

The responsibilities of councillors are substantial, extensive and complex. We have mentioned the Grenfell Tower tragedy as a chilling instance of those responsibilities. **We believe that every borough should have an ongoing programme of member training and development and that members should be expected to participate. We believe that members should be provided with logistical and clerical support to help them deal with their workload.**

## Barriers to being a councillor

It is important that obstacles to becoming a councillor should be removed wherever possible. Child care costs can be a significant deterrent to service as a councillor. **We repeat our strong view that in appropriate cases when they undertake their council duties, councillors should be entitled to claim an allowance for care of dependents. The dependents' carers' allowance should be set at the London living wage but (on presentation of proof of expense) payment should be made at a higher rate when specialist nursing skills are required.**

**We also repeat our belief that members' allowances schemes should allow the continuance of Special Responsibility Allowances in the case of sickness, maternity and paternity leave in the same terms that the council's employees enjoy such benefits (that is to say, they follow the same policies).**

## Travel and Subsistence allowances

We continue to believe that the Basic Allowance should cover basic out-of-pocket expenses incurred by councillors, including intra-borough travel costs and expenses. The members' allowances scheme should, however, provide for special circumstances, such as travel after late meetings or travel by councillors with disabilities. The scheme should enable councillors to claim travel expenses when their duties take them out of their home borough, including a bicycle allowance.

## Allowances for Mayor or Civic Head

Many councils include the allowances for the mayor (or civic head) and deputy in their members' allowance scheme. However these allowances do serve a rather different purpose from the 'ordinary' members' allowances, since they are intended to enable the civic heads to perform a ceremonial role. There are separate statutory provisions (ss 3 and 5 of the Local Government Act 1972) for such allowances and councils may find it convenient to use those provisions rather than to include the allowances in the members' allowance scheme.

## Update for inflation

**We continue to recommend that for a period of four years the allowances we recommend should be updated annually in accordance with the headline figure in the annual local government pay settlement.**

We have been asked whether it is necessary for the annual updating to be formally authorised by the council each year. The Regulations do seem to make this obligatory.

Sir Rodney Brooke CBE DL

Steve Bundred

Anne Watts CBE

London, January 2018

## Appendix A

Basic allowance £11,045

### Special responsibilities – beyond the basic allowance

#### The case for special allowances

The reasons for payment of additional special responsibility allowances should be clearly set out in local allowances schemes. Special allowances should come into play only in positions where there are significant differences in the time requirements and levels of responsibility from those generally expected of a councillor.

#### Calculation of special allowances

The proposed amounts for each band are a percentage of the figure suggested for a council leader depending upon levels of responsibility of the roles undertaken and are explained below. We believe that the SRA, which the previous panel recommended for the leader of a London council (updated), continues to be appropriate.

### Categories of special allowances

The regulations specify the following categories of responsibility for which special responsibility allowances may be paid:

- Members of the executive where the authority is operating executive arrangements
- Acting as leader or deputy leader of a political group within the authority
- Presiding at meetings of a committee or sub-committee of the authority, or a joint committee of the authority and one or more other authorities, or a sub-committee of such a joint committee
- Representing the authority at meetings of, or arranged by, any other body
- Membership of a committee or sub-committee of the authority which meets with exceptional frequency or for exceptionally long periods
- Acting as spokesperson of a political group on a committee or sub-committee of the authority
- Membership of an adoption panel
- Membership of a licensing or regulatory committee
- Such other activities in relation to the discharge of the authority's functions as require of the member an amount of time and effort equal to or greater than would be required of him by any one of the activities mentioned above, whether or not that activity is specified in the scheme.

### Local discretion

It is for the councils locally to decide how to allocate their councillors between the different bands, having regard to our recommendations and how to set the specific remuneration within the band. They must have regard to our recommendations. We believe these should have the merits of being easy to apply, easy to adapt, easy to explain and understand, and easy to administer.

## BAND ONE

The posts we envisage falling within band one include:

- Vice chair of a service, regulatory or scrutiny committee
- Chair of sub-committee
- Leader of second or smaller opposition group
- Service spokesperson for first opposition group
- Group secretary (or equivalent) of majority group
- First opposition group whip (in respect of council business)
- Vice chair of council business
- Chairs, vice chairs, area committees and forums or community leaders
- Cabinet assistant
- Leadership of a strategic major topic
- Acting as a member of a committee or sub-committee which meets with exceptional frequency or for exceptionally long periods
- Acting as a member of an adoption panel where membership requires attendance with exceptional frequency or for exceptionally long periods
- Leadership of a specific major project.

## Remuneration

We propose that band one special responsibility allowances should be on a sliding scale of between 20 – 30 per cent of the remuneration package for a council leader.

This would be made up as follows:

Basic allowance: £11,045

Band One allowance: £2,582 to £9,397

**Total: £13,627 to £20,442**

## BAND TWO

The types of office we contemplate being within band two are:

- Lead member in scrutiny arrangements, such as chair of a scrutiny panel
- Representative on key outside body
- Chair of major regulatory committee e.g. planning
- Chair of council business (civic mayor)
- Leader of principal opposition group
- Majority party chief whip (in respect of council business).

## Remuneration:

We propose that band two allowances should be on a sliding scale between 40 – 60 per cent, pro rata of the remuneration package for a council leader.

This is made up as follows:

Basic allowance £11,045

Band two allowances: £16,207 to £29,797

**Total: £27,252 to £40,842**

## BAND THREE

We see this band as appropriate to the following posts:

- Cabinet member
- Chair of the Health and Wellbeing Board
- Chair of the main overview or scrutiny committee
- Deputy leader of the council

### Remuneration:

We propose that band three allowances should be between 70 – 80 per cent pro rata of the remuneration package for a council leader.

This is made up as follows:

Basic allowance: £11,045

Band three allowance: £36,917 to £43,460

**Total: £47,962 to £54,505**

## BAND FOUR

### Leader of cabinet

This is a full-time job, involving a high level of responsibility and includes the exercise of executive responsibilities. It is right that it should be remunerated on a basis which compares with similar positions in the public sector, while still retaining a reflection of the voluntary character of public service.

### Remuneration:

We propose that the remuneration package for a council leader under band four of our scheme should be £68,130.

This is made up as follows:

Basic allowance: £11,045

Band four allowance: £57,085.

**Total: £68,130**

## BAND FIVE

### Directly elected mayor

A directly elected mayor has a full-time job with a high level of responsibility and exercises executive responsibilities over a fixed electoral cycle. It is right that it should be remunerated on a basis which compares with similar positions in the public sector, while still retaining a reflection of the voluntary character of public service. However we believe this post remains different to that of the strong leader with cabinet model. The directly elected mayor is directly elected by the electorate as a whole. The strong leader holds office at the pleasure of the council and can be removed by the council. We believe that the distinction is paramount and this should be reflected in the salary level.

### Remuneration:

We propose that a directly elected mayor should receive a remuneration package of 25 per cent higher than that recommended for a council leader and that it should be a salary set at **£85,162**.

## Appendix B

### On behalf of the community – a job profile for councillors

#### Purposes:

1. To participate constructively in the good governance of the area.
2. To contribute actively to the formation and scrutiny of the authority's policies, budget, strategies and service delivery.
3. To represent effectively the interests of the ward for which the councillor was elected, and deal with constituents' enquiries and representations.
4. To champion the causes which best relate to the interests and sustainability of the community and campaign for the improvement of the quality of life of the community in terms of equity, economy and environment.
5. To represent the council on an outside body, such as a charitable trust or neighbourhood association.

#### Key Tasks:

1. To fulfil the statutory and local determined requirements of an elected member of a local authority and the authority itself, including compliance with all relevant codes of conduct, and participation in those decisions and activities reserved to the full council (for example, setting budgets, overall priorities, strategy).
2. To participate effectively as a member of any committee or panel to which the councillor is appointed, including related responsibilities for the services falling within the committee's (or panel's) terms of reference, human resource issues, staff appointments, fees and charges, and liaison with other public bodies to promote better understanding and partnership working.
3. To participate in the activities of an outside body to which the councillor is appointed, providing two-way communication between the organisations. Also, for the same purpose, to develop and maintain a working knowledge of the authority's policies and practices in relation to that body and of the community's needs and aspirations in respect of that body's role and functions.
4. To participate in the scrutiny or performance review of the services of the authority, including where the authority so decides, the scrutiny of policies and budget, and their effectiveness in achieving the strategic objectives of the authority.
5. To participate, as appointed, in the area and in service-based consultative processes with the community and with other organisations.
6. To represent the authority to the community, and the community to the authority, through the various forums available.
7. To develop and maintain a working knowledge of the authority's services, management arrangements, powers/duties, and constraints, and to develop good working relationships with relevant officers of the authority.
8. To develop and maintain a working knowledge of the organisations, services, activities and other factors which impact upon the community's well-being and identity.
9. To contribute constructively to open government and democratic renewal through active encouragement of the community to participate generally in the government of the area.
10. To participate in the activities of any political group of which the councillor is a member.
11. To undertake necessary training and development programmes as agreed by the authority.
12. To be accountable for his/her actions and to report regularly on them in accessible and transparent ways.

## Appendix C

### The independent panel members

**Sir Rodney Brooke CBE DL** had a long career in local government, including as chief executive of West Yorkshire County Council, Westminster City Council and the Association of Metropolitan Authorities. He was knighted in 2007 for his contribution to public service.

**Steve Bundred** was chairman of Monitor, chief executive of the Audit Commission and chief executive of the London Borough of Camden.

**Anne Watts CBE** has an extensive career in equality and diversity and governance that spans the private, voluntary and public sectors with organisations including the Open University, the University of Surrey, the Commission for Equality and Human Rights and Business in the Community. She chaired the Appointments Commission.





Allowances	Camden	Enfield	Islington	Haringey	Waltham Forrest	AVERAGE
Basic allowance	£9,849	£10,570	£10,312.78	£10,810	£11,045	£10,517
Leader	£29,293	£26,364	£38,814	£33,296	£50,000	£35,553
Deputy Leader	X	£15,828	X	X	£32,000	£23,914
Cabinet Members/Executive Members	£16,275	£13,183	£30,306	£25,443	£25,000	£22,041
Associate Cabinet Members/Junior CM	X	£8,442	X	X	£10,000	£9,221
Leader of the opposition	£16,275	£15,828	X	£16,925	£17,681	£16,677
Chair Scrutiny	X	£8,442	£12,230	£23,134	£10,000	£13,452
Chief Whip	£10,848	£8,437	£5,317	£16,925	£10,000	£10,305
Scrutiny chairs	£5,426	£8,442	£5,317	£15,421	X	£8,652
Mayor	£16,275	£17,788	£6,514	£16,965	£10,000	£13,508
Deputy Mayor	£1,625	£5,876	£133	£4,238	X	£2,968

*X' - indicates no Special Allowance is specified for that role. That is not to say the role does not exist.*

Haringey against average
£293
-£2,257
X
£3,402
X
£248
£9,682
£6,620
£6,769
£3,457
£1,270