

NOTICE OF MEETING

STANDARDS COMMITTEE

Monday, 7th March, 2016, 7.00 pm - Civic Centre, High Road, Wood Green, N22 8LE

Members: Councillors James Ryan, Elin Weston, Liz Morris, Lorna Reith and Raj Sahota (Chair)

Co-optees/ Non Voting Members

Quorum: 2

1. FILMING AT MEETINGS

Please note this meeting may be filmed or recorded by the Council for live or subsequent broadcast via the Council's internet site or by anyone attending the meeting using any communication method. Although we ask members of the public recording, filming or reporting on the meeting not to include the public seating areas, members of the public attending the meeting should be aware that we cannot guarantee that they will not be filmed or recorded by others attending the meeting. Members of the public participating in the meeting (e.g. making deputations, asking questions, making oral protests) should be aware that they are likely to be filmed, recorded or reported on. By entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings.

The Chair of the meeting has the discretion to terminate or suspend filming or recording, if in his or her opinion continuation of the filming, recording or reporting would disrupt or prejudice the proceedings, infringe the rights of any individual, or may lead to the breach of a legal obligation by the Council.

2. APOLOGIES FOR ABSENCE

3. URGENT BUSINESS

The Chair will consider the admission of any late items of urgent business.

4. DECLARATIONS OF INTEREST

A member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

- (i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and
- (ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 5-7 and Appendix A of the Members' Code of Conduct.

5. MINUTES AND MATTERS ARISING (PAGES 1 - 4)

To confirm and sign the minutes of the meetings of the Standards Committee held on the 15th October 2015.

6. VERBAL REPORT OF THE ASST DIRECTOR CORPORATE GOVERNANCE & MONITORING OFFICER

Report of the Assistant Director Corporate Governance and Monitoring Officer To receive a summary of information about complaints received by the Monitoring Officer to date that a Member had breached the Member's Code of Conduct, since the commencement of the 2015-16 Municipal Year

7. MEMBER'S ALLOWANCE SCHEME (PAGES 5 - 24)

The Committee will consider the revocation of the Members Allowances Scheme for 2015/16 as of 31st March 2016; and further consider the proposed new Members Allowances Scheme for 2016-17 as set out in Appendix 1 to this report to take effect from 1st April 2016. This report will go forward to Full Council in March for approval.

8. NEW ITEMS OF UNRESTRICTED URGENT BUSINESS

To consider any new items of urgent business.

9. DATES OF NEXT MEETINGS

16th June 2016
13th October 2016
23rd January 2017
4th April 2017

10. EXCLUSION OF THE PUBLIC AND PRESS

The following item is likely to be subject of a motion to exclude the press and public from the meeting as it contains exempt information as defined in

Section 100a of the Local Government Act 1972; namely information relating to any individual, and information which is likely to reveal the identity of an individual.

11. RECRUITMENT OF INDEPENDENT MEMBERS FOR STANDARDS COMMITTEE AND STAFFING AND REMUNERATION COMMITTEE (PAGES 25 - 28)

Report of the Assistant Director Corporate Governance & Monitoring Officer – noting the outcome of the interviews held on 27 January 2016 and to recommend to Full Council its confirmation of the appointments for a four year term from 1 July 2016.

12. EXEMPT MINUTES (PAGES 29 - 32)

To agree the exempt minutes of the meeting held on the 15th October 2016.

13. ANY OTHER EXEMPT BUSINESS THE CHAIR CONSIDERS TO BE URGENT

Ayshe Simsek
Acting Democratic Services Manager
0208 489 2920
ayshe.simsek@haringey.gov.uk

Bernie Ryan
Assistant Director – Corporate Governance and Monitoring Officer
River Park House, 225 High Road, Wood Green, N22 8HQ

26th February 2016

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**UNRESTRICTED MINUTES OF THE MEETING OF THE
STANDARDS COMMITTEE HELD ON Thursday, 15th October,
2015, at 19.00hrs.**

PRESENT:

**Councillors: James Ryan, Lorna Reith, Raj Sahota (Chair), Peter Mitchell,
David Beacham**

24. FILMING AT MEETINGS

The Committee noted the arrangements in respect of filming at meetings, as outlined by the Chair.

25. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Morris, for whom Councillor Beacham was substituting, and from Councillor Weston, for whom Councillor Mitchell was substituting.

NOTED

26. URGENT BUSINESS

There were no items of urgent business.

NOTED

27. DECLARATIONS OF INTEREST

Councillors Beacham & Reith declared a personal interest in Item 11, as members of the Homes for Haringey Board.

NOTED

28. MINUTES

The Chair asked if there were any points of clarification or accuracy.

Councillor James Ryan asked that in future, any comments attributed or referenced to either him or the Assistant Director Corporate Governance & Monitoring Officer – Mr Ryan (Bernie) be clearly stated by showing their full name – this would then avoid any such confusion.

NOTED

RESOLVED

That minutes of the Standards Committee held on 15 June 2015 be agreed and signed by the Chair as an accurate record of the proceedings.

29. VERBAL REPORT OF ASSISTANT DIRECTOR CORPORATE GOVERNANCE & MONITORING OFFICER

The Assistant Director Corporate Governance & Monitoring Officer's Principal Lawyer Ms Vydulinska advised the Committee that since the commencement of the 2015/16 Municipal Year there had been one referral from the Monitoring Officer for consideration by the Standards Assessment Sub-Committee in relation to a complaint received regarding a potential breach of the member Code of Conduct. The Sub-Committee had met on 14 September 2015 to consider the referral and the complaint had been dismissed.

NOTED

30. RECRUITMENT OF INDEPENDENT MEMBERS FOR STANDARDS COMMITTEE AND STAFFING AND REMUNERATION COMMITTEE

The Chair asked for a brief introduction to the report.

The Assistant Director Corporate Governance & Monitoring Officer's Principal Lawyer Ms Vydulinska advised the Committee that the report sought approval to commence the recruitment of Independent Persons to support the Standards Committee in relation to allegations that members or co-opted members have failed to comply with the Member's Code of Conduct, and to be considered for appointment to the Staffing and Remuneration Committee when considering the dismissal of either the Head of Paid Service, the Chief Finance Officer or the Monitoring Officer.

Ms Vydulinska advised that the Council had a legal duty to put in place arrangements for having an Independent Person in relation to allegations of breaches of the Code of Conduct, and also have in place arrangements for at least two Independent Persons to participate in recommendations in relation to the dismissal of statutory officers. The law required Independent Persons appointed in relation to the Standards regime to be invited to participate in this process. Under section 28(7) of the Localism Act 2011 the Council had to appoint at least one Independent Person (IP) whose views were to be sought and taken into account by the Council before it made its decisions on allegations about breaches of the Code of Conduct by Members or co-opted Members of the Council. Under the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015 the Council must also have in place arrangements for inviting IPs to be involved in making recommendations to Council before any decision to dismiss a statutory officer was made.

Ms Vydulinska also advised that Authorities had to invite any IPs supporting the Standards Committee for that purpose although it was also possible to use IPs from other authorities for this purpose where the authority considered it appropriate. An IP

was required to be appointed following an advertisement and application process and confirmation by full Council. The proposed appointments had to be made at the latest, by the May 2016 Annual Council meeting., and it was intended to recommend appointments at the Full Council meeting in March 2016.

Ms Vydulinska further advised that the Council had appointed two Independent Persons in July 2012 (a primary and a secondary/deputy IP) and although only the primary IP had been engaged in respect of these duties, it was still considered prudent to have a secondary IP as a reserve, not least because of the additional duties for which the IPs may now be used. The incumbent primary IP had provided excellent independent support to the Standards Committee and the Monitoring Officer, however the law did not allow the Council to reappoint her when her term expired on 30th June 2016.

Ms Vydulinska concluded that the current primary IP was remunerated at a rate of £1,000 per year and the secondary IP at a rate of £250 per annum. Councils were able to also remunerate IPs that were invited to participate in recommendations relating to the dismissal of the statutory officers, however the remuneration must not exceed that paid to the IPs under the standards regime. Whilst the views of the IP were fairly regularly sought and her attendance required at hearings relating to breaches of the Code, it was not clear whether or not the attendance of IPs would be required in relation to the dismissal of a statutory officer, and it was therefore proposed that payment to the primary IP was increased to £1250 to accommodate any potential role in the panel considering dismissal of statutory officers, but that the payment for the secondary IP who had not as yet had to attend a hearing in relation to the breach of the Code of Conduct by a member remain the same at £250. The proposals represented a small increase of £250 to the current budget, to cover the additional role of the IPs in making recommendations to Council in respect of the dismissal of a statutory officer.

Following a brief discussion of the report and points of clarifications from members as to the process of advertisement, and recruitment, together with minor points in relation to person spec and application for as circulated the Chair summarised and it was:

RESOLVED

- i. That approval be given to the commencement of the recruitment exercise for two Independent Persons;
- ii. That approval be given to the annual allowance for independent members of £1,250 for the primary member and £250 for the secondary member (subject to Council approval); and
- iii. That the Independent Persons appointed also be available to be considered for appointment to the relevant committee appointed by the Council (currently Staffing and Remuneration Committee) responsible for advising the Council on matters relating to the dismissal of the Head of Paid Service, the Chief Finance Officer or the Monitoring Officer (subject to Council approval)

31. ANY OTHER UNRESTRICTED ITEMS OF BUSINESS THE CHAIR CONSIDERS TO BE URGENT

Nil items

32. DATES OF NEXT MEETINGS

28 January 2016

7 March 2016

Noted

33. EXCLUSION OF THE PUBLIC AND PRESS

RESOLVED

That the press and public be excluded the from the meeting for consideration of Item 11 as it contains exempt information as defined in Section 100a of the Local Government Act 1972 (as amended by Section 12A of the Local Government Act 1985); paragraphs 1 & 2; namely information relating to any individual, and information likely to reveal the identity of an individual.

34. CONSIDERATION OF THE OUTCOME OF INVESTIGATIONS IN RESPECT OF STANDARDS ASSESSMENT SUB-COMMITTEE COMPLAINT REFERRAL NO. SC005/1415

AGREED RECOMMENDATIONS

There being no further business to discuss the meeting ended at 20.08hrs.

35. ANY OTHER EXEMPT BUSINESS THE CHAIR CONSIDERS TO BE URGENT

Nil Items

CHAIR: Councillor Raj Sahota

Signed by Chair

Date

Report for: Standards Committee 7th March

Item number:

Title: Members Allowances Scheme for 2016-17

Report authorised by : Assistant Director of Corporate Governance

Lead Officer: Alison Vydulinska

Ward(s) affected: N/A

**Report for Key/
Non Key Decision:** Non key decision

1. Describe the issue under consideration

- 1.1 Each year before 31st March, full Council is required by the Local Authorities (Members Allowances) (England) Regulations 2003 to adopt a Members Allowances Scheme for the following financial year.

2. Cabinet Member Introduction

N/A

3. Recommendations

- 3.1 That the Standards Committee recommend to Council:
- a) The revocation of the Members Allowances Scheme for 2015/16 as of 31st March 2016; and
 - b) Approval of the proposed new Members Allowances Scheme for 2016-17 as set out in Appendix 1 to this report to take effect from 1st April 2016.

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.

5. Alternative options considered

- 5.1 No alternative options were considered as there is a duty to adopt a meMbers' allowance scheme annually.

6. Background information

- 6.1 This report asks Standards Committee to consider the scheme proposed for 2016-17 and recommend it for approval by full Council, in accordance with Article 14.03 of the Council's Constitution.
- 6.2 Before it can adopt a Members Allowances Scheme the Council has a duty to consider the recommendations of an Independent Remuneration Panel in relation to the payment of Members Allowances.
- 6.3 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 June 2014 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 2014 recommendations have been considered in the preparation of the proposals at Appendix 1.
- 6.4 The changes to the Scheme for 2016-17 are shown in italics and underlined. There are no proposals to change the level of allowances. Small amendments to the scheme relate to year for which the Scheme will operate, and some minor clarifications relating to the description of co-optees for consistency.

7. Contribution to strategic outcomes

- 7.1 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)

8.1 Finance and Procurement

The Chief Finance Officer has reviewed the proposed new scheme, noting that there is no proposed increase in allowances. The cost of the scheme is within the agreed budget provision for 2016-17.

8.2 Assistant Director of Corporate Governance

Legal implications are contained within the body of this report.

8.3 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: Members Allowances Scheme 2016-17

Appendix 2: The remuneration of Councillors in London 2014 – report of the Independent panel

10. Local Government (Access to Information) Act 1985

None

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Part 6

Members' Allowances Scheme

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 2016/17 (i.e. 1 April 2016 to 31 March 2017).

2. BASIC ALLOWANCE

- 2.01 Each Councillor will be entitled to receive the sum of £10,703 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 also applies to education representatives on scrutiny bodies (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 datacharges.

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 £16,797.
 - (b) The Deputy Mayor is entitled to an additional allowance of £4,196.

5. SPECIAL RESPONSIBILITY ALLOWANCES

5.01 For the period 1 April 2016 to 31 March 2017, 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

Band	Position	Special Allowance	Total Allowance
Band 4	<ul style="list-style-type: none"> • Leader 	£33,590	£44,293
Band 3B	<ul style="list-style-type: none"> • 8 or fewer x Cabinet Members • Opposition Leader 	£25,191	£35,894
Band 3A	<ul style="list-style-type: none"> • Chair of Overview and Scrutiny Committee 	£22,905	£33,608
Band 2B	<ul style="list-style-type: none"> • Chair of Corporate Committee • Chief Whip • Chair of Regulatory Committee • Chair of Alexandra Palace and Park Board • Opposition Deputy Leader • Opposition Chief Whip 	£16,797	£27,500
Band 2A	4 x Councillors serving on Overview and Scrutiny Committee	£15,268	£25,971
Band 1	<ul style="list-style-type: none"> • Chair of Pensions Committee • Chair of Staffing and Remuneration Committee • Chair of Standards Committee 	£8,398	£19,101

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-OPTEE'S ALLOWANCES

- 7.01 Each education representative on scrutiny bodies is entitled to an allowance of £616.50. 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 a maximum rate of £8.60 per hour. 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 :

(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~~, co-optee 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.
- 10.06 Any Councillor or ~~non-elected member~~ co-optee 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.

The Remuneration of Councillors in London 2014

Report of the Independent Panel



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 and 2010. It has been re-constituted and 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 also invited comments from the Leaders' Committee of London Councils. 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.

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 included in our 2010 report. In that report, we quoted the Government-appointed Councillors' Commission. The Commission took the view (which we continue to share) that: '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. 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. 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. 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. Each London Borough is responsible for services crucial to its residents. Each is responsible for a revenue budget of between £1.3bn and £3.3bn.

The responsibilities placed on local authorities continue to increase. The Localism Act 2011 devolved services to the boroughs, though, it was complained, without the resources to discharge them. From April 2013 London boroughs assumed the major new responsibility for health and wellbeing. Financial austerity brings substantial and further challenges to councillors: local authorities are required to make substantial cuts in their spending. Changes to the welfare system (particularly acute in London) give residual discretionary powers to local authorities. Councillors are faced with unenviable choices. Demand for local authority services continues to grow. In particular, there is exponential growth in the number of old people and a corresponding increase in demand for social care. The strain on and competition for resources increase the demands made on elected members.

Pensions

In the Panel's first report we recommended that councillors should be eligible for pensions. Councillors are often retired and currently have an average age of 60. It is increasingly desirable to attract a younger cohort of people to serve on councils. Access to a pension scheme is one way of achieving this. Councillors – especially those with lead responsibilities – must surrender earning potential elsewhere, earning potential which would normally be pensionable. It seems perfectly reasonable that allowances attracted by service as a councillor should be pensionable.

The Government agreed with this view and the Regulations introduced the potential for councillors' allowances to be pensionable upon the recommendation of the relevant Independent Panel. Accordingly the Panel recommended that all London borough councillors under the age of 75 be eligible to join the local government pension scheme. Twenty two of the 32 London boroughs have accepted that recommendation.

In March 2014 the Government laid before Parliament Regulations which would end the right of councillors to enter the local government pension scheme. These Regulations would extend not only to councillors but also to elected mayors (including the Mayor of London) and members of the Greater London Assembly, though Police and Crime Commissioners would retain their right of access to the pension scheme.

Councillor Sir Merrick Cockell, Chairman of the Local Government Association and Chair of London Councils from 2006 until 2010, responded: 'The government's decision isn't about saving money, it is fundamentally about undermining the role of a councillor and undermining the role of local democracy'. He added: 'Fair remuneration is important so that people from all walks of life can afford to stand for office. Otherwise we risk local government becoming the exclusive preserve of a privileged few who have the luxury of time and money to spare.' His remarks were endorsed by Cllr Gary Porter, Leader of the Local Government Association's Conservative Group, who pointed out that 'councillors are spending more time supporting their constituents and working with external organisations such as GPs, schools, police, local businesses and voluntary organisations. Secondly, recruitment and retention is becoming increasingly difficult... the commitment involved can be a deterrent when set against a possible loss of earnings and a potentially negative effect on their careers.'

We believe that access to a pension scheme can be an important factor in making service as a councillor financially possible for a wider range of people. It is particularly important 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. We would very much like the Government to reconsider this decision.

The current financial and political climate

Our 2010 report 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 had led to substantial 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.

Our recommended allowances are tied to the annual local government pay settlement. Because of the current financial climate, the local government pay settlement has been frozen in three of the last four years. In 2013/14 there was a 1% pay award. Acutely sensitive to the current financial austerity, only two boroughs increased members' allowances by that percentage. Indeed nine boroughs have reduced members' allowances since the date of our last report.

We are acutely aware that now is not the time to increase allowances made to councillors, though we continue to recommend that members' allowances be pegged to the annual local government pay settlement. Such pegging will ensure that councillors can receive annual increases which are in line with those received by staff. We fully accept that, in the current financial climate, it would be entirely inappropriate to increase members' allowances (beyond the annual updating). Nevertheless we hope that in the longer term the financial situation will permit further convergence of members' allowances around our recommendations. We continue to believe that the scheme we propose is sufficiently flexible to accommodate the different political management arrangements of different London boroughs. Our view is confirmed by the general response from the London boroughs.

Consultation with the boroughs

Level of allowances

In our consultation with the London boroughs we asked a number of questions. We enquired whether it was believed that the salary of an MP remains a sound comparator to fix the remuneration of a borough leader. [Our recommendations for other special responsibility allowances are related to that recommended for Leaders.] Members of Parliament currently receive a salary of £66,396, now rather more than our updated recommendation for the allowance for Leaders.

Though there was dissent from one Borough, another asserted that the Leader's allowance should reflect the total remuneration package paid to Members of Parliament. A different borough pointed out that whereas a Member of Parliament represented an electorate of 70,000 people, a leader was responsible for the delivery of a wide range of services to a population of 300,000 – an electorate of 220,000 across an area three times as large as a parliamentary constituency. Indeed, 'it is arguable that the responsibilities of some cabinet portfolio holders are greater than the local responsibilities of an MP' but 'on balance the salary of an MP is about as sound a comparator as is likely to be found'.

In considering the responses, we also took into account the remuneration payable to chairs and members of other public bodies. We continue to believe that the allowances we have recommended are suitable. In particular, we think it appropriate that Leaders should receive an allowance approximating to the salary of a Member of Parliament.

External paid appointments

There has been some controversy over councillors accepting paid appointments in other public bodies, given their cumulative remuneration. We asked the boroughs whether allowances should be adjusted to take into account external payments from other public bodies. One authority thought it reasonable to 'consider the balance of benefit to the local area before determining whether 'home' remuneration should be reduced accordingly'. Other boroughs disagreed.

We believe that if members take on extra work and responsibilities through undertaking external appointments, then they should be entitled to retain the remuneration attracted by those responsibilities. Of course the borough might reflect on the extent to which the external duties are compatible with the time required to discharge duties within the borough and adjust responsibilities accordingly.

Chair of the Health and Wellbeing Board

These new bodies govern commissioning decisions across health, public health and social care. They must develop with commissioning groups a shared understanding of the health and wellbeing needs of the community. They must undertake a Joint Strategic Needs Assessment and develop a joint strategy for how these needs can be best addressed. This will include recommendations for joint commissioning and integrating services across health and social care. The Boards must drive local commissioning of health care, social care and public health and create a more effective and responsive local health and care system. They must also address other services that impact on health and wellbeing such as housing and education.

It was recommended to us that the Chair of the Health and Wellbeing Board should receive a special responsibility allowance in Band Three, that designed for Cabinet members. We entirely agree: this is a statutory post conferring personal statutory responsibility. The role is of major importance to local government and should be remunerated accordingly where they are councillors. In practice we imagine that Chairs of Health and Wellbeing Boards will be members of the Cabinet and have been remunerated within Band Three since their creation.

Lead Member for Children's and Adult Services

It was suggested to us that the Lead Member for Children's Services should receive a special responsibility allowance higher than other Cabinet Members: 'The enhanced duty of safeguarding for the role of lead member for Children's Services and the time required to fulfil it makes the post a special case for an enhanced banding between the current bands three and four.'

We well understand the heavy responsibility on the lead member for Children's services and the consequences of any failure in the system. We are entirely sympathetic to the view that the responsibility might warrant a higher special responsibility allowance than other Cabinet members. In our 2010 report we specifically contemplated the different weight of responsibilities of different portfolios and suggested that they might justify different allowances. Our recommended Band Three for Cabinet Members has a range of over £6,000 and we believe that this is sufficient to enable boroughs to differentiate between the different weights of portfolios should they so decide.

It has also been suggested to us that the lead member responsible for adult safeguarding has a degree of responsibility equal to that of the lead member for children's services. We are not convinced of the comparison.

Given the different allocation of responsibilities in different boroughs, we do not make specific recommendations on differentiating special responsibility allowances for Cabinet members within Band Three.

Dependants' Carers' Allowance

The Regulations authorise the payment to councillors of an allowance ('the Dependants' Carers' Allowance') in respect of the expenses of arranging for the care of children or dependants when the councillor attends meetings or is engaged in other official duties. We received representations that the Allowance should be not less than the living wage.

We strongly believe that the boroughs should make a dependants' carers' allowance available to their members. Access to a dependants' carers' allowances can make it possible for a wider range of people to serve on their councils. Specifically by payment of dependants' carers' allowance, boroughs can attract some who would not normally expect to become councillors. 26 of the 32 boroughs provide in their allowances scheme for payment of dependants' carers' allowances. In those boroughs which do make a payment, allowances vary from £5.27 to £9.26 per hour (in one case £15 per hour for specialised care).

We recognise the need for payments to pay regard to local circumstances and the nature of specialist care. We believe that ordinary care should be remunerated at not less than the London living wage of £8.60 per hour; and (on presentation of proof of expense) payment should be made at a higher rate when specialist nursing skills are required.

Sickness, maternity and paternity leave

This issue has again been raised with us. We adhere to our recommendations in the 2006 report, repeated in 2010, namely that councils should make arrangements in their members' allowances schemes to 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).

Members of social care and health scrutiny panels and corporate parenting panel

One borough suggested that service on the Social Care and Health Scrutiny Panels and the Corporate Parenting Panel should be placed within Band One because of the risk profile of those roles.

We continue to recommend that the responsibility allowance payable under Band One should include membership of committees, sub-committees and adoption panels where membership requires attendance with exceptional frequency or for exceptionally long periods. If a Council believes that such memberships are substantially more onerous than service on other committees, then we agree that they would be appropriately remunerated on Band One.

Travel and subsistence allowances

We have been asked to give advice on travel and subsistence allowances. We continue to believe that the Basic Allowance should cover all reasonable out-of-pocket expenses incurred by councillors, including intra-borough travel costs and expenses, though councils may consider that there are circumstances where it may be appropriate for a scheme to provide payment for the cost of transport, e.g. journeys home after late meetings, and for people with disabilities. We also continue to believe that, where travel and subsistence allowances are payable, they should be in accordance with the current scheme for travel and subsistence applicable to the Borough's staff; and that travel allowances should extend to travel by bicycle.

Update for inflation

We continue to recommend that the allowances we recommend should be updated annually in accordance with the headline figure in the annual local government pay settlement.

Sir Rodney Brooke CBE DL Steve Bundred Anne Watts CBE

London
1 June 2014

Appendix A

Basic allowance £10,703

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: £10,703

Band one allowance: £2,392 to £8,941

Total: £13,095 to £19,644

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 £10,703

Band two allowances: £15,486 to £28,581

Total: £26,189 to £39,284

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: £10,703

Band three allowance: £35,128 to £41,675

Total: £45,831 to £52,378

BAND FOUR

Leader of cabinet, including a strong leader.

This is a full-time job, involving a high level of responsibility and now 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 £64,824.

This is made up as follows:

Basic allowance: £10,703

Band four allowance: £54,769

Total: £65,472

BAND FIVE

Directly elected mayor

A directly elected mayor is 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 band five 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 **£81,839**.

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 (forexample, 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 has 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 and is currently chairman of the Quality Assurance Agency for Higher Education.

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 that spans the private, voluntary and public sectors with organisations including the Open University, the Commission for Equality and Human Rights and Business in the Community. She chaired the NHS Appointments Commission.

By virtue of paragraph(s) 1, 2 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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