

<b>Date:</b>	<b>16 January 2019</b>
<b>Classification:</b>	<b>For General Release</b>
<b>Title:</b>	<b>Members' Allowance Scheme 2018-2019: Amendment and Scheme for 2019-2020</b>
<b>Report of:</b>	<b>Acting Head of Committee and Governance Services</b>
<b>Wards Involved:</b>	<b>None</b>
<b>Policy Context:</b>	<b>Management of the Council</b>
<b>Financial Summary:</b>	<b>There are no additional financial impacts arising from the proposals set out in this report</b>
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## 1. Executive Summary

- 1.1 The Council is required, if it wishes to pay such allowances, to adopt a Members' Allowances Scheme on an annual basis with effect from 1 April each year. Such a scheme can be amended in year. The Members' Allowances Scheme for 2018-2019 was amended by the Council (11.7.18). Following the decision of the Leader to appoint additional Cabinet Members and therefore the proposal to appoint a further Policy and Scrutiny Committee – see report elsewhere on this agenda further in-year amendments to the scheme are proposed to ensure an SRA can be paid to the Chairman of the new Committee. There is already sufficient provision in the scheme to pay an SRA to up to 10 Cabinet Members and up to 10 Deputy Cabinet Members.
- 1.2 The Members' Allowances Scheme for 2019-2020 effective from 1 April would normally be submitted to the Committee's meeting in February for adoption by Council in March. Given the submission of this report the opportunity has been taken to include provision for the approval of the 2019-2020 scheme as well.
- 1.3 In drawing up the revised Members' Allowances Scheme regard has been given to the recommendations of the London-wide Independent Remuneration Panel convened by London Councils whose most recent report (2018) is listed with the relevant statutory guidance as background documents.

## **2. Recommendations**

- 2.1 That the Council be recommended to approve the amended Members' Allowances Scheme with immediate effect as set out in paragraph 3.6 below.
- 2.2 That the Council be recommended to approve the Members' Allowances Scheme attached as Appendix A for 2019-2020 with effect from 1 April 2019.

## **3. Background**

- 3.1 There is a requirement for local authorities if they wish to adopt a Members' Allowance Scheme on an annual basis, with effect from 1 April each year. Schemes can be amended at any time during the year.
- 3.2 When considering a new scheme, or amending an existing scheme, local authorities must have regard to the report of the London Councils' Independent Panel on the Remuneration of Councillors and relevant guidance from the Secretary of State. The Committee and the Council are required to have regard to the Panel's report in considering its own scheme. The Council's overall budget for Members Allowances remains amongst the lowest of all London boroughs.

### **Members' Allowances**

- 3.3 The current Members' Allowances Scheme, as amended, was adopted by the Council on 11 July 2018 upon recommendation from the General Purposes Committee. As in previous year's regard has been given to the findings and recommendations detailed in the Panel's most recent report published in January 2018. The Council (16.05.18) agreed to increase the Basic Allowance and all Special Responsibility Allowances by 2% and this is reflected in the proposed scheme for 2019-2020.
- 3.4 The Members Allowance budget is deemed sufficient to meet the revised financial commitments for 2018-19, as set out in the proposed amended scheme.
- 3.5 The Chief Whip of the Majority Party has, as in previous years, been consulted on the proposals. The Chief Whip of the Minority Party was also invited to give views on matters to be considered.
- 3.6 As mentioned in paragraph 1.1 and reported elsewhere on this agenda, it is proposed to amend the number of Policy and Scrutiny Committee Chairmen who receive a Special Responsibility Allowance from four to five at the rate of £8,160 pa. No other in-year amendment is proposed as there is already provision for SRAs for the maximum number (10) Cabinet Members and for up to 10 Deputy Cabinet Members.

- 3.7 The proposed scheme, effective from 1 April 2019 for 2019-2020 has been prepared on the basis of the current scheme with the additional Special Responsibility Allowances referred to in paragraph 3.6 above included. All allowances, with the exception of those relating to IT, travel and subsistence have been inflated by 2%, as previously agreed.

#### **Basic Allowance**

- 3.8 It is proposed to increase the level of Basic Allowance payable to all Members by 2% to £9,363 per annum.

#### **Special Responsibility Allowance (SRA)**

- 3.9 The Special Responsibility Allowances were reviewed and reflected in the scheme which was amended with effect from 1 August 2018. The number of SRAs payable in the scheme proposed has been increased to ensure that up to five Policy and Scrutiny Committee Chairmen are allowed to be paid a Special Responsibility Allowance.
- 3.10 Following the decision to transfer the CityWest Homes responsibilities in-house provision for the City West Board Members to receive a SRA has been removed.

#### **ICT Allowance**

- 3.11 The IT allowance is not changed as part of this review and was paid to all Members in June.

#### **Travel and Subsistence Allowance**

- 3.12 The Council's scheme continues to be more restrictive than the Panel's recommendations and only allows for travel claims for approved duties outside of the Greater London area (travel to other London Boroughs is not reclaimable). No change to this part of the scheme is proposed. Reference is included in the scheme to the availability of all zone permits for Members, for use when undertaking official duties.

### **4. Legal Implications**

- 4.1 Under Regulations 4 (1) (a) and (b) of the Local Authorities (Members' Allowances) (England) Regulations 2003 (S12003/1021) there is a requirement that councils must make a scheme in accordance with the Regulations which provides for the payment of an allowance in respect of each year to each member of an authority. The scheme may provide for paying a basic allowance and any other allowances permitted by the Regulations. Regulation 10 (1) provides that if it wishes to have a scheme for the following year to commence on 1 April, the Council must make the scheme before the start of the year. Under Regulation 10 (3) schemes can be amended at any time during the year and under Regulation 10(6) amendments can take effect from the beginning of the year. The approval of

the full Council is necessary for any amendments to existing schemes or the adoption of new schemes.

- 4.2 Regulations relating to Members' Allowances require the publication of the report of the Independent Remuneration Panel, the scheme of allowances and details of the total sums paid to each Member under each category of allowance in each year. The statutory guidance on the publicity requirements suggests that details of allowances paid are made available on the Council's website together with information on the responsibilities of elected Members and the duties and time commitment which the basic allowance is intended to remunerate. This has previously been agreed by this Committee.

## **5. Financial Implications**

- 5.1 The Members' Allowances budget for 2018-2019 is sufficient to fund the changes proposed in this report given there has been some underspend.
- 5.2 The Members Allowances Scheme proposed for 2019-2020 is fully funded in the draft budget for 2019-2020 including the uplifting of 2% and also including the proposed additional SRA to the Chairman of the proposed new P&S Committee. The total cost is £973,799 excluding employers National Insurance contributions.

## **6.1 Consultation**

The Chief Whip of the Majority Party and Minority Party has been consulted. Any comments received will be reported at the meeting.

**If you have any questions about this report, or wish to inspect one of the background papers, please contact Reuben Segal:**

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### **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1972 BACKGROUND PAPERS**

The documents referred to in compiling this report are as follows:

- Report of the Independent Remuneration Panel 2018
- Report of the General Purposes Committee – 25 February 2017

## APPENDIX A

### MEMBERS' ALLOWANCES SCHEME FROM 1 APRIL 2019 TO 31 MARCH 2020 (AMENDED)

1. This Scheme is made under, and in accordance with, the provisions of the Local Authorities (Members' Allowances) (England) Regulations 2003.
2. The rates of allowances specified will apply until the Scheme is amended or replaced, in which event the revised rates of allowances will be paid from the date from which the amendment takes effect.
3. Subject to the relevant form being completed at the appropriate time, entitlement to allowances under the Scheme commences on the date upon which a Member is elected to the Council or is elected or appointed to an office qualifying for special responsibility. The entitlement ceases on the date upon which a Member ceases to hold a qualifying office or ceases to be a Member of the Council (the fourth day after polling day in the year of City Council elections, i.e. the Monday). An apportionment of the relevant allowances will be made in the same proportion as the number of days that the Member held Office or was a Member, bears to the number of days in the relevant year.
4. Any Member may by notice in writing to the Head of Committee and Governance Services elect to forego for any period any part of an entitlement to an allowance under the Scheme which will take effect from the date upon which the notice is received by the Head of Committee and Governance Services.
5. Allowances will be paid by equal monthly instalments on the 20th day of each month by BACS to the account notified by the relevant Member for these purposes to the Head of Committee and Governance Services. Members will also be required to provide a valid National Insurance Number. A £1,000 lump sum additional Basic Allowance for Members to purchase ICT equipment will be paid to any Member elected. No ICT allowance shall be payable unless the confirmation is received that computer hardware and an email address for Council use is available. This allowance is also payable to any Member elected at a by-election except that this allowance will not be paid if a Member received this allowance upon having been elected at a by-election in the previous 12 months.
6. Except where so authorised by the Head of Committee and Governance Services any claim for travel and subsistence allowances must be made within two months of the date of the duty to which the claim relates.

#### **Basic Allowance**

7. A Basic Allowance of £9,363 pa from 1 April 2019 will be paid to every Member of the Council who formally elects to receive it.

## **Special Responsibility Allowance**

8. Payments of Special Responsibility Allowances will be made to Members of the Council who hold special offices unless they formally elect not to receive them. Attached as Annex A is a list of the Special Responsibility Allowances payable from 1 April 2019.

## **Conferences**

9. Councillors are entitled to have their Conference fees met when approved by the appropriate Cabinet Member, Committee or the Head of Members Services in consultation with the relevant party Chief Whip and to receive payments at the approved rates for travel and subsistence in respect of their attendance at conferences held outside the City to discuss matters relevant to the discharge of the Council's functions.

## **Travel Expenses**

10. Members and Co-opted Members are entitled to claim payment of Travel Allowances at the rates of allowance set out in Annex B where expenditure has necessarily been incurred to enable them to attend an approved duty, defined as set out in Annex C, but only when travelling outside the Greater London area. Members of Education Admissions and Exclusions Appeal Panels are entitled to claim travel allowances for attendance at meetings relating to their membership at the rates set out in Annex B.

Members of the Council shall be entitled to a City Council all zones official parking permit for use when undertaking official council duties and otherwise used in accordance with the rules relating to their use.

## **Subsistence**

11. Subsistence may be claimed only for accommodation or meals at conferences (approved in accordance with paragraph (i) of Annex C) where such costs are not included in the conference fee, subject to the maximum allowance referred to in Annex B.

## **Payments whilst under Suspension**

12. Payments of allowances, basic and special responsibility, shall not be paid to a Member who is suspended or if partially suspended that element of special responsibility allowance which may be payable in respect of an office held by the Member to which the partial suspension relates.

## **Publication**

13. This scheme will be published as required by legislation. At the end of each financial year the City Council is required by legislation to publish the sums paid to councillors under the Scheme.

## ANNEX A

### MEMBERS ALLOWANCE SCHEME – SPECIAL RESPONSIBILITY ALLOWANCES WITH EFFECT FROM 1 APRIL 2019

Office Holders	Allowances (from 1.4.19) Proposed	Total Cost (full year)
<b>Leader/Deputy Leader</b>	£	£
Leader of the Council (Chairman of the Cabinet)	38,250	38,250
Deputy Leader of the Council (Vice Chairman of the Cabinet)	19,380	19,380
<b>Cabinet Members</b>		
Each Cabinet Member (excluding the Leader and the Deputy Leader) (x8)	11,220	89,760
<b>Opposition Leader/Whips</b>		
Leader of the Opposition	9,180	9,180
Chief Whip (Majority)	5,110	5,110
Chief Whip (Minority)	5,110	5,110
Minority Party Deputy Leader	5,110	5,110
<b>Policy and Scrutiny Committees</b>		
Each Scrutiny Committee Chairman (x5)	8,323	41,615
Minority Party Scrutiny Spokesperson	4,160	4,160
<b>Other Committee/Sub-Committee Chairmen</b>		
Audit and Performance	8,323	8,323
Standards	3,121	3,121
Planning Applications Committees (x3)	4,590	13,770
Licensing Sub-Committees (x4)	4,590	18,360
Pension Fund Committee	3,120	3,120
*Licensing Committee	9,180	9,180
+Planning and City Development Committee	9,180	9,180

\* (If this Chairman is also appointed as a Chairman of a Licensing Sub-Committee they will only receive the allowance payable to the Licensing Committee Chairman)

+ (If this Chairman is also appointed as a Chairman of a Planning Applications Committee they will only receive the allowance payable to the Planning and City Development Committee Chairman)

**Deputy Cabinet Members**

Each Deputy Cabinet Member appointed to support a Cabinet Member (x10)	3,120	31,200
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**Other Panels**

Chairman of Rating Advisory Panel	3,120	3,120
Chairman of Discretionary Housing Benefits Panel	3,120	3,120

Panel Members of the Discretionary Housing and Benefits Review Panel and the Rating Panel (x8)	2,080	16,640
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Members of Pension Fund Committee except Chairman (x3)	2,080	6,240
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Panel Members of the Licensing Sub-Committees, Members of the Planning Applications Committees rate of £2,550 (x25 - £63,750)

Panel Member of the Adoption and Fostering Panel	3,120	3,120
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**NOTE REGARDING SPECIAL RESPONSIBILITY ALLOWANCES PAYABLE IN RESPECT OF THE INDEPENDENT PERSON APPOINTED UNDER SECTION 28 OF THE LOCALISM ACT 2011 AND CO-OPTED MEMBERS ON OTHER COMMITTEES**

Each Independent Person shall be paid a Special Responsibility Allowance of £500 pa.

The co-opted Members of the Economic Development, Education, Community & Place Shaping Policy and Scrutiny Committee shall be paid upon election and completion of the necessary acceptance of office a sum of £300 to cover their out of pocket expenses for the period of their office.

## ANNEX B

### TRAVEL AND SUBSISTENCE ALLOWANCES: (OUTSIDE THE GREATER LONDON AREA)

#### (A) TRAVEL

- (a) Travel by own private vehicle

<b>Motor Mileage Allowance</b>	<b>Pence Per Mile</b>
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Motorcycles:

Up to 150cc	8.5
151-500cc	12.3
Over 500cc	<u>16.5</u>

**Cars & Tri cars:**

500cc-999cc	35.8
1000-1199cc	39.9
Over 1199cc	<u>49.4</u>

- (b) **Travel by Public Transport**

The ordinary fare or any reasonably available cheap fare actually paid.

- (c) **Travel by Taxi**

Members are not permitted to claim for travel by taxi except as part of onward or return travel to or from a conference held outside the Greater London area where a claim for other travel expenses has or could be made.

The Head of Committee and Governance Services shall be authorised to reimburse claims for taxi fares, on an exceptional basis, for example on medical advice, to and from approved duties. Such authority to be obtained in advance, if possible.

- (d) **Travel by Rail and Air**

(i) The ordinary fare or any available cheap fare actually paid.

(ii) Actual expenditure incurred on:  
Reservation of seats  
Sleeping accommodation for an overnight journey  
Deposit on portorage of baggage

(iii) Travel by Air shall only be allowed when included as part of the formal approval of the attendance at a conference or overseas visit. In the case of overseas visits the cost to be met from the budget of the relevant service.

(e) **Additional Travel Expenses**

The rates specified above may be increased by not more than the amount of any expenditure incurred on tolls, ferries, parking fees or cost of overnight garaging of a motor vehicle, except that reimbursement of the Central London Congestion Charge shall not be permitted.

(f) **Subsistence**

Subsistence claims for the reasonable costs of overnight accommodation or meals not included in the Conference fee can only be claimed, up to a maximum of £180 per day, upon production of relevant receipts.

(g) **Receipts**

Claims for reimbursement of expenditure by main line rail, air or any other additional expenses, or subsistence, must be accompanied by a receipt.

**Note:** All Members shall be entitled to apply to the Head of Members' Services for the use of an all zones parking permit for their use whilst on Official Council business only such permit only to be used in accordance with the guidance notes for use issued with the permits.

## ANNEX C

### LIST OF APPROVED DUTIES FOR TRAVEL AND SUBSISTENCE ALLOWANCE:

The following are the categories of duties which qualify for payment of travel and subsistence allowance, where such expenditure has been incurred (although separate payments will only be reimbursed for travel outside the Greater London area):

- (a) Meetings of the Council, the Cabinet, their Committees, Sub-Committees, Panels and meetings of the Westminster Scrutiny Commission and the Policy and Scrutiny Committees and Task Groups of which the Councillor is a member or at which a Councillor who is not a member of that body attends to address the meeting with the prior permission (where such permission is required under Standing Orders) of the Chairman.
- (b) Attendance as the Council's representative at a meeting of any joint authority or Committee of local authorities or of any Committee or Sub-Committee of the body of which the Council is a constituent member.
- (c) Attendance as the Council's representative at meetings of any association of authorities or Committee or Sub-Committee of the association of which the Councillor is a member.
- (d) Attendance at duties which qualify for attendance allowance as single member duties as specified in the Regulations, currently:  
  
Meetings to determine the attendance of individual pupils at any out of borough special schools.  
  
Rota and other visits to inspect establishments outside of the borough on behalf of the Cabinet Members for Children and Young People and Adults Social Care.
- (e) Attendance at any other meeting convened by the Council, the Cabinet, a Committee or Sub-Committee to discuss matters relevant to the discharge of the Council's functions and to which Members of more than one Party Group have been invited.
- (f) Attendance at any meeting, which is an induction training session, seminar, presentation, or briefing arranged by Chief Officers of the City Council for all Members of a Committee, Sub-Committee or Panel to discuss matters relevant to the discharge of the Council's functions and to which Members of more than one Party Group have been invited.
- (g) Attendance as the Council's representative in connection with the discharge of the Council's functions at meetings of outside bodies (excluding local authority maintained schools), their Committees and Sub-Committees. The Head of Committee and Governance Services maintains a list of such representatives

and has delegated powers to add and remove bodies to this category to reflect formal appointments made by the City Council.

- (h) Attendance at visits and inspection of sites and premises arranged by officers or approved by Cabinet/Committee (eg opening of new facilities).
- (i) Attendance approved by the appropriate Committee or by the Head of Member Services, in accordance with his delegation at conferences convened by other authorities and organisations to discuss matters relevant to the discharge of the Council's functions.
- (j) Attendance by the Leader of the Council, Cabinet Members, Deputy Cabinet Members, Leader of the Opposition, and Chief Whips on matters concerning the discharge of the Council's functions.
- (k) Attendance by Cabinet Members, Chairmen and Vice-Chairmen of Committees and Sub-Committees concerning the discharge of functions relevant to the work of their portfolio or their Committees or Sub-Committees, including Chairman's Call-over meetings and site visits.
- (l) Attendance before Parliamentary Committees, official bodies and inquiries to give evidence or make representations on the council's behalf.
- (m) Attendance as the Council's appointee or nominee at any meeting. (This excludes party group meetings but includes single member duties where one member has been appointed, appearing as a Council witness at a Planning Inquiry or court proceedings or member-level working groups appointed by a Committee and representation on any outside body which is not eligible for attendance allowance).