



City of Westminster

Committee Agenda

Title: **General Purposes**

Meeting Date: **Wednesday 31st January, 2024**

Time: **6.00 pm**

Venue: **Room 18.05, 64 Victoria Street, London, SW1E 6QP**

Members: **Councillors:**

David Boothroyd (Chair)
Aicha Less
Ellie Ormsby
Mark Shearer



Members of the public are welcome to attend the meeting and listen to the discussion Part 1 of the Agenda

Admission to the public gallery is by ticket, issued from the ground floor reception at City Hall, 64 Victoria Street. If you have a disability and require any special assistance please contact the Committee Officer (details listed below) in advance of the meeting.

If you require any further information, please contact the Committee Officer, Tristan Fieldsend, Senior Committee and Councillor Co-ordinator.

**Email: tfieldsend@westminster.gov.uk
Corporate Website: www.westminster.gov.uk**

Note for Members: Members are reminded that Officer contacts are shown at the end of each report and Members are welcome to raise questions in advance of the meeting. With regard to item 2, guidance on declarations of interests is included in the Code of Governance; if Members and Officers have any particular questions they should contact the Director of Law in advance of the meeting please.

AGENDA

PART 1 (IN PUBLIC)

1. MEMBERSHIP

To note any changes to the membership.

2. DECLARATIONS OF INTEREST

To receive declarations by Members and Officers of the existence and nature of any pecuniary interests or any other significant interest in matters on this agenda.

3. MINUTES

To sign the minutes of the meeting held on 11 October 2023.

(Pages 3 - 6)

4. MEMBERS' ALLOWANCES SCHEME 2024/25

(Pages 7 - 44)

**Stuart Love
Chief Executive
25 January 2024**



CITY OF WESTMINSTER

MINUTES

General Purposes Committee

MINUTES OF PROCEEDINGS

Minutes of a meeting of the **General Purposes Committee** held on **Wednesday 11th October, 2023**, Room 18.05, 64 Victoria Street, London, SW1E 6QP.

Members Present: Councillors David Boothroyd (Chair), Aicha Less, Ellie Ormsby and Mark Shearer

1 MEMBERSHIP

1.1 There were no changes to the membership.

2 DECLARATIONS OF INTEREST

2.1 There were no declarations of interest.

3 MINUTES

3.1 **RESOLVED:** That the minutes of the meeting held on 14 September 2023 be signed by the Chair as a correct record of the proceedings.

4 FORMATION OF A JOINT HEALTH OVERVIEW AND SCRUTINY COMMITTEE BETWEEN WESTMINSTER CITY COUNCIL AND THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA TO SCRUTINISE THE PROPOSED SUBSTANTIAL VARIATION IN DEVELOPMENT AND SERVICES IN RELATION TO THE GORDON HOSPITAL, ST CHARLES MENTAL HEALTH UNIT AND MENTAL HEALTH SERVICES.

4.1 The Committee received a report setting out proposals to establish a dedicated, time limited Joint Health Overview and Scrutiny Committee (JHOSC) between Westminster City Council (WCC) and the Royal Borough of Kensington and Chelsea (RBKC).

4.2 It was explained that this proposal had been brought to the Committee as a consequence of the Central and Northwest London NHS Foundation Trust (CNWL) proposing a substantial development and variation to the services

provided at the Gordon Hospital in Westminster and St Charles Hospital Mental Health Unit in Kensington and Chelsea.

- 4.3 Members noted that the report sought WCC approval to set up a JHOSC between WCC and RBKC to specifically scrutinise the proposal, approve the terms of reference for the JHOSC and approve the delegation of power as a local authority to the Secretary of State in the circumstances described in the report.

RESOLVED:

That

- 1) The establishment of a JHOSC between WCC and RBKC specifically for the purpose of scrutiny of the Proposal be approved;
- 2) The terms of reference for the JHOSC set out at Appendix A of the report be approved;
- 3) It be approved that three Councillors who were not members of the Council's executive may be appointed to the JHOSC from WCC and that such appointments be made in line with the principles of political proportionality. Individual Members would be appointed to the JHOSC by the Chief Executive on the advice of Group Whips in line with existing procedures for Committee appointments;
- 4) It be agreed that WCC delegate its power of referral to the Secretary of State under s23(9) of the Local Authority (Public Health, Health, and Wellbeing Boards and Health Scrutiny) Regulations 2013 to the newly formed JHOSC subject to all members of that JHOSC being in agreement on any referral and if they were not the power would then revert to each individual Council; and
- 5) It be agreed to delegate authority to the Monitoring Officer to make any amendments needed to the Constitution or Terms of Reference as may be required.

5 PROGRAMME OF MEETINGS 2024/2025

- 5.1 The Committee received a report and following discussions agreed the proposed programme of meetings.

RESOLVED:

- 1) That the Council be recommended to approve the dates of full Council Meetings, as follows: 19 June 2024, 18 September 2024, 13 November 2024, 22 January 2025, 5 March 2025, 14 May 2025 (Annual); and
- 2) That the Programme of other formal Meetings set out in Appendix A of the report be approved.

The Meeting ended at 5.37pm.

CHAIRMAN: _____

DATE _____

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City of Westminster

General Purposes Committee Report

Meeting or Decision Maker:	General Purposes Committee
Date:	31 January 2024
Classification:	General Release
Title:	Members' Allowances Scheme 2024/25
Fairer Westminster/Policy Context:	Fairer Westminster
Financial Summary:	Members are invited to have regard to the report of the Independent Report Remuneration Panel and the options set out by officers in this report. The recommended option 2 is within existing budget provision.
Report of:	Executive Director of Democracy, Law and People (Monitoring Officer)

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.
- 1.2 In drawing up the Members' Allowances Scheme, regard under the relevant legislation must be given to the recommendations of the London-wide Independent Remuneration Panel convened by London Councils whose most recent report (2023) is listed with the relevant statutory guidance as background documents.
- 1.3 The report of the Remuneration Panel has made several recommendations on Members Allowances which are outlined in this report. Therefore, in order to update the current scheme several options have been explored by officers and these are set out for the Committee to have regard to.

2. Recommendation

- 2.1 The officer recommendation to the Committee (based on consultation with Members) is that the Committee approve Option 2 of the Member Allowances 2024-2025 Scheme as set out in the report with effect from 1 April 2024.
- 2.2 The Committee recommends that Council agree to increase the Members' Allowances (Basic and SRA) for the years 2024/25 to 2025/26 in line with any future salary increase for Council staff that may be agreed by the National Joint Council for Local Government Services.

3. Members' Allowances

- 3.1 There is a requirement for local authorities if they wish to adopt a Members' Allowance Scheme, that this be done on an annual basis, with effect from 1 April each year. Schemes can be amended at any time during the year.
- 3.2 The 2023 report produced by London Councils Independent Panel has highlighted a wide range of issues around Members allowances including:
 - How allowances can be used to ensure diversity of people who feel able to stand as Councillors as well as ensuring that those Councillors performing certain roles are sufficiently remunerated. The report also highlights the increase in workload and time involved in carrying out duties as a Councillor and that evidence gathered suggests special responsibility allowances (SRAs) were not sufficient to allow individuals to undertake their day job in addition to taking up a role in local government. Furthermore, the Panel has expressed a concern that SRAs across London boroughs have not been applied consistently for similar roles.

- Benchmarking research undertaken by the Panel has shown that the basic allowance for Councillors serving in London is significantly lower than some parts of the UK where the roles and responsibilities of councillors are broadly the same to those of councillors serving in London boroughs. In Westminster the current basic allowance is £10,186 but for example, in Birmingham, for 2022-23 it is £18,876, and in Manchester £18,841. In assessing what an appropriate basic allowance for London boroughs would be the Panel used the median wage for all London workers and determined that the recommended basic allowance should be £15,960. The Panel considered that this allowance better reflected the high cost of living in London, and as such it considered that boroughs should implement these changes in 2024, as part of the contribution to recruiting and retaining a diverse range of good quality candidates to stand for office in London.
- The Panel have recommended no change to the Leader's SRA but have downgraded the % band used for Band 3 roles (Cabinet Members etc) from 70-80% to 60-75%. Similarly other bands have been downgraded in % terms, but broadly all roles are still recommended as higher in financial terms than Westminster's equivalent positions. The Panel adjusted the percentages historically used in order to more closely align with the average used by other local authorities outside of London.
- The Panel have further recommended that all allowances should be updated annually in line with the percentage pay award agreed by the National Joint Council (NJC) for Local Government Services staff. For 2023/24, the NJC agreed the equivalent of 3.88% which is used in this report for various options.

4. Allowances Options

Officer Options for consideration by the Committee

4.1 Option 1 – No change

The first option considered by officers is to freeze all allowances at the current level, subject to any changes in the number of roles being appointed to. The current total cost (based on roles appointed to in May 2023) is £1,016,520, excluding employers National Insurance contributions. The expenditure for this option is considerably less than the Panel's recommendations which would total £1,913,663 and may be a consideration during the continuing difficult financial situation as well as factoring in the acceptability of increasing expenditure on members allowances at a time of continuing financial constraint. This option whilst within the Members Allowances budget of £1.065m for 2024/25 does not keep pace with staff pay awards or address any of the historical structural issues with the SRAs, set out in more detail below, thus exacerbating the underpayment issue currently seen in Westminster's allowances scheme.

4.2 **Option 2 - 3.88% Uplift Across All Allowances (Basic and SRAs)**

This option would allow current allowances to keep pace with the staff pay award. It would not however address some of the issues highlighted within the Remuneration Panel's report and the structural anomalies identified in the current allowances scheme.

The effect of this uplift would represent a total cost of £1,043,091 which is within the budget available.

Officer Options Following Consideration of the IRP Report

4.3 **Option 3 – Adopt the IRP Recommendations in Full**

Adopting the IRP recommendations in full would result in the basic allowance increasing from its current rate of £10,186 to £15,960. The Panel recommends this current rate as it considers this better reflects the high cost of living in London, than the previous recommendations. In addition, it is the Panel's view that it is pressing that boroughs should implement these changes in 2024, as part of the contribution to recruiting and retaining a diverse range of good quality candidates to stand for office in London.

In terms of SRAs the Leader of the Council currently receives £41,612 but as in the Panel's previous proposals this is suggested to be at £62,092. All other SRAs are recommended to be calculated on a sliding percentage scale of the Leader's SRA. The Panel considers Band 1 positions (for example Chairs of Sub-Committees and the Opposition Group Whip) should be on a sliding scale between 5-15% of the Leader's SRA which would be between £3,105 - £9,314 for the SRA. The Panel also considers that Band 2 positions (for example main Planning and Licensing Chairs, Leader of the Opposition and the Majority Whip) should be on a sliding scale between 25-50% of the Leader's SRA which would be between £15,523 - £31,046. It is also proposed that Band 3 positions (for example the overall scrutiny chair, Cabinet Members and Deputy Leaders of the Council) should be between 60-75% of the Leader's SRA which would be between £37,255 - £46,569.

This option has been compiled based on what are deemed to be appropriate points within the recommended ranges for each role, based on an assessment of the requirements placed on different roles in a Westminster context. This is set out in the appendices, but to provide a few examples Cabinet Members have been placed on 70% of the Leaders SRA which would equal £43,464 each, lower than the 75% point used for Deputy Leaders which equates to £46,569. In terms of Planning and Licensing the overall Chairs and Sub-Committee Chairs have been placed at the top of their respective bands to recognise the workloads and unique pressures facing Westminster in these areas. This equates to the overall Chairs receiving 50% of the Leaders SRA (£31,046), the Sub-Committee Chairs on 15% (£9,314) whilst the members of the committees would receive 10% (£6,209). For the Opposition Group posts suitable mid-point figures have been used and again these are set out in more detail in the appendix. As an example though the Opposition Leader has been allocated 37% of the Leaders package which equates to an SRA of £22,974.

This option would see the IRP recommendations adopted increase in line with the 2023/24 staff pay award. This would see the total cost of the council's allowances scheme raised to £1,913,663 p.a. – an amount which is not budgeted for. This option would see many SRAs increase, and some substantially so. This option would therefore require an uplift in the Member Allowances Budget for 2024/25 to be approved when Full Council meets on 6 March 2024.

4.4 **Option 4 – Adopt the IRP recommendations for the Basic Allowance and Mirror the Staff Pay Increase for SRAs**

This would see an increase in the basic allowance to £15,960 which would bring them in line with the IRP recommendations. SRAs would also increase by 3.88% in line with the 2023/24 staff pay award but this would not, however, address the structural issues identified with the SRAs in the current allowances system. Currently the Leader and most other roles are below the IRP recommendations and this option does not address some significant structural anomalies in terms of the percentages applied to each role. The total increase in spend would take the total cost of the scheme to £1,333,557, which whilst less than option 3 is still unbudgeted for and results in an overspend of £268,557. This option would therefore require an uplift in the Member Allowances Budget for 2024/25 to be approved when Full Council meets on 6 March 2024.

- 4.5 An option to reduce SRAs has not been considered as it is considered that this would not ensure the diversity of people who feel able to stand as Councillors as well as ensuring that those Councillors performing certain roles are sufficiently remunerated. The IRP report also highlights the increase in workload in carrying out duties as a Councillor and reducing SRAs would prohibit even more individuals from wanting to undertake a role in local government whilst in addition carrying out their day job. A reduction would also result in the Council's allowances scheme diverging even further away from the recommendations of the IRP, exacerbating the existing significant structural and historical issues identified within it.

ICT Allowance

- 4.6 The IT allowance is not changed as part of this review and was paid to those Members requesting it in June 2022.

Dependents Allowance

- 4.7 The Dependents/Carers Allowance policy was recently amended to allow councillors who claim this allowance to do so for one hour either side of a defined duty. This was changed from half an hour either side and was implemented in recognition of the fact that it may take Councillors more than half an hour to travel across the city, when allowing for reasonable buffer time.

Due to this recent amendment this aspect of the allowances scheme will not be changed.

Travel and Subsistence Allowance

- 4.8 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.

5. Financial Implications

- 5.1 The existing 2024/25 budget is £1,065,000. Options 1 to 2 listed in Appendix A are within the existing budget. However, Option 3 is £991,504 (93%) and option 4 £268,557 (25%) above existing budget and for which no funding is currently available.

6. Legal Implications

- 6.1 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.
- 6.2 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 in one or more newspapers circulating in its area, together with information on the responsibilities of elected Members and the duties and time commitment which the basic allowance is intended to remunerate. Such a notice will be prepared for publication once a scheme has been adopted.

7. Carbon Impact

- 7.1 There are no carbon implications arising out of this report.

8. Consultation

- 8.1 In advance of this meeting of the Committee, consultation has taken place with the Chief Whips of the Majority Party and Opposition Party, the Administration of the Council and the members of the General Purposes Committee. Feedback on the proposals has been provided and following discussions, option 2 has been identified as the preferred choice. Any further comments received will be reported at the meeting and factored into the final decision.

If you have any queries about this Report or wish to inspect any of the Background Papers, please contact:

Tristan Fieldsend: Email: tfieldsend@westminster.gov.uk

APPENDICES

Appendix A – Role and Allowances Options

Appendix B – Allowances Options Total Amounts

Appendix C - Bands - % of Leaders SRA Allowance

Appendix D - Independent Panel on the Remuneration of Councillors

APPENDIX A

Role	Option 1	Option 2	Option 3	Option 4
Basic	£10,186	£10,581	£15,960	£15,960
Leader	£41,612	£43,226	£62,092	£43,226
Deputy Leader	£23,483	£24,394	£46,569	£24,394
Planning Sub-Chair	£4,800	£4,986	£9,314	£4,986
Cabinet Member	£17,008	£17,668	£43,464	£17,668
Leader of the Opposition	£9,987	£10,374	£22,974	£10,374
Overall Licensing Chair	£9,599	£9,971	£31,046	£9,971
Overall Planning Chair	£9,599	£9,971	£31,046	£9,971
Audit and Performance Chair	£8,704	£9,042	£24,837	£9,042
P&S Chair	£8,704	£9,042	£24,837	£9,042
Licensing Vice-Chair	£5,344	£5,551	£15,523	£5,551
Planning Vice-Chair	£5,344	£5,551	£15,523	£5,551
Opposition Deputy Leader	£6,193	£6,433	£15,523	£10,374
Chief Whip	£5,344	£5,551	£22,974	£5,551
Opposition Whip	£5,344	£5,551	£9,314	£5,551
Licensing Sub Committee Chair	£4,800	£4,986	£9,314	£4,986
Opposition P&S Spokesperson	£4,351	£4,520	£6,209	£4,520
Deputy Cabinet Member	£3,763	£3,909	£6,209	£3,909
DHP Chair	£3,263	£3,390	£6,209	£3,390
Pension Fund Committee Chair	£3,263	£3,390	£6,209	£3,390
Standards Committee Chair	£3,263	£3,390	£6,209	£3,390
Fostering and Adoption	£3,263	£3,390	£6,209	£3,390
Ratings Chair	£3,263	£3,390	£6,209	£3,390
Licensing Member	£2,775	£2,883	£6,209	£2,883

Planning Member	£2,775	£2,883	£6,209	£2,883
DHP Member	£2,263	£2,351	£3,105	£2,351
Pension Fund Committee Member	£2,263	£2,351	£3,105	£2,351
Ratings Member	£2,263	£2,351	£3,105	£2,351

APPENDIX B – TOTAL AMOUNTS

Role	Number of positions	Option 1	Option 2	Option 3	Option 4
Basic	54	£550,044	£571,374	£861,827	£861,840
Leader	1	£41,612	£43,226	£62,092	£43,226
Deputy Leader	2	£46,966	£48,788	£93,138	£48,788
Planning Sub-Chair	2	£9,600	£9,972	£18,628	£9,972
Cabinet Member	7	£119,056	£123,676	£304,251	£123,676
Leader of the Opposition	1	£9,987	£10,374	£22,974	£10,374
Overall Licensing Chair	1	£9,599	£9,971	£31,046	£9,971
Overall Planning Chair	1	£9,599	£9,971	£31,046	£9,971
Audit and Performance Chair	1	£8,704	£9,042	£24,837	£9,042
P&S Chair	4	£34,816	£36,168	£99,347	£36,168
Licensing Vice-Chair	1	£5,344	£5,551	£15,523	£5,551
Planning Vice-Chair	1	£5,344	£5,551	£15,523	£5,551
Opposition Deputy Leader	2	£12,386	£12,866	£31,046	£12,866
Chief Whip	1	£5,344	£5,551	£22,974	£5,551
Opposition Whip	1	£5,344	£5,551	£9,314	£5,551
Licensing Sub Committee Chair	2	£9,600	£9,972	£18,627	£9,972
Opposition P&S Spokesperson	1	£4,351	£4,520	£6,209	£4,520
Deputy Cabinet Member	9	£33,867	£35,181	£55,882	£35,181
DHP Chair	1	£3,263	£3,390	£6,209	£3,390
Pension Fund Committee Chair	1	£3,263	£3,390	£6,209	£3,390
Standards Committee Chair	1	£3,263	£3,390	£6,209	£3,390
Fostering and Adoption	1	£3,263	£3,390	£6,209	£3,390
Ratings Chair	1	£3,263	£3,390	£6,209	£3,390

Licensing Member	11	£30,525	£31,713	£68,301	£31,713
Planning Member	10	£27,750	£28,830	£62,092	£28,830
DHP Member	3	£6,789	£7,053	£9,314	£7,053
Pension Fund Committee Member	3	£6,789	£7,053	£9,314	£7,053
Ratings Member	3	£6,789	£7,053	£9,314	£7,053
<i>SRA total</i>		<i>£466,476</i>	<i>£471,717</i>	<i>£1,051,836</i>	<i>£471,717</i>
Sub-total		£1,016,520	£1,043,091	£1,913,663	£1,333,557

APPENDIX C - BANDS - % OF LEADERS SRA ALLOWANCE

Role	IRP Recommended %	Option 1	Option 2	Option 3	Option 4
Deputy Leader	60-75%	56%	56%	75%	56%
Planning Sub-Chair	5-15%	12%	12%	15%	12%
Cabinet Member	60-75%	41%	41%	70%	41%
Leader of the Opposition	25-50%	24%	24%	37%	24%
Overall Licensing Chair	25-50%	23%	23%	50%	23%
Overall Planning Chair	25-50%	23%	23%	50%	23%
Audit and Performance Chair	25-50%	21%	21%	40%	21%
P&S Chair	25-50%	21%	21%	40%	21%
Licensing Vice-Chair	5-15%	13%	13%	25%	13%
Planning Vice-Chair	5-15%	13%	13%	25%	13%
Opposition Deputy Leader	5-15%	15%	15%	25%	15%
Chief Whip	25-50%	13%	13%	37%	13%
Opposition Whip	5-15%	13%	13%	15%	13%
Licensing Sub Committee Chair	5-15%	12%	12%	15%	12%
Opposition P&S Spokesperson	5-15%	10%	10%	10%	10%
Deputy Cabinet Member	5-15%	9%	9%	10%	9%
DHP Chair	5-15%	8%	8%	10%	8%
Pension Fund Committee Chair	5-15%	8%	8%	10%	8%
Standards Committee Chair	5-15%	8%	8%	10%	8%
Fostering and Adoption	5-15%	8%	8%	10%	8%
Ratings Chair	5-15%	8%	8%	10%	8%
Licensing Member	5-15%	7%	7%	10%	7%
Planning Member	5-15%	7%	7%	10%	7%

DHP Member	5-15%	5%	5%	5%	5%
Pension Fund Committee Member	5-15%	5%	5%	5%	5%
Ratings Member	5-15%	5%	5%	5%	5%

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London Councils 2023 Remuneration of Members

Report of the Independent Panel

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Remuneration of councillors in London 2023

1. Introduction

- 1.1 The Independent Panel on Members' Remuneration last published a report on member allowances in early 2022. In that report the Panel did not recommend substantial changes to Member allowances, it noted that the challenges facing councils and councillors appeared to be increasing and becoming more complex. Therefore, the Panel also recommended that it undertake a more detailed review in 2023.
- 1.2 For the 2023 review, the Panel undertook a detailed review of member allowances with the aim of providing up to date advice on appropriate levels of reward for the work of elected members in London over the next four years. The intention was to seek a wider consultation than previously, using qualitative and quantitative research to underpin its findings and recommendations. The Panel canvassed members and officers in all London boroughs through surveys, focus groups and interviews, in order to see how the role of councillors had changed in recent years and what the main issues were currently. It also carried out a considerable benchmarking exercise of allowances paid in other parts of England as well as in Scotland, Wales and Northern Ireland, and undertook an in-depth review of the methodology used by Independent Remuneration Panels across the UK.
- 1.3 The research showed that basic allowances per annum in London are significantly lower than those paid in Scotland, Wales and Northern Ireland. The assessment of members' allowances in these regions is carried out by independent bodies whereas in England, the level of allowances is determined by the local authority members themselves. It has also become clear that allowances in many boroughs are considerably lower than remuneration received by workers in London with comparative levels of responsibilities and skills. This comparative contrast in remuneration is juxtaposed against increased workloads, time pressures, accountability, and financial pressures that councillors are presently having to manage. The Panel takes the view that it is important that there is a system of support in place that recognises the vital role that elected representatives play in local government and the full scale of their responsibilities. This support includes appropriate remuneration levels.

2.0 Background

- 2.1 Local authorities are required by the Local Authorities (Members' Allowances) (England) Regulations 2003¹ to establish and maintain an independent remuneration panel to make recommendations on the level of the basic and special responsibility allowances. In London the regulations authorise the establishment of an independent panel (the Panel) by the Association of London Government (now London Councils) panel to make recommendations in respect of the members' allowances payable by London boroughs. The Regulations require a review of the scheme every four years

¹ [The Local Authorities \(Members' Allowances\) \(England\) Regulations 2003 \(legislation.gov.uk\)](https://www.legislation.gov.uk/uksi/2003/1047)

as a minimum. Whilst the Panel makes recommendations, each council determines its own remuneration scheme for its own councillors, having regard to the Panel's recommendations.

- 2.1 The Independent Panel for London Councils currently comprises Mike Cooke (Chair), Sir Rodney Brooke CBE DL and Anne Watts CBE. It reported in 2022 and at that time recommended very few changes on the basis that more time was needed for a more detailed review during 2023, given that the Panel had received feedback that the work of councillors and the demands upon them had increased significantly.

3.0 Research

- 3.1 This review has provided the Panel with an opportunity to consider the roles undertaken by councillors in London, and to examine more deeply how the demands, responsibilities and scope of duties of councillors have evolved in recent years. This review also provided the Panel with an opportunity to review the methodology used by other Independent Remuneration Panels and to carry out benchmarking with other local authorities across England, Scotland, Wales and Northern Ireland.
- 3.2 This review has expanded on the approaches used in previous reviews. In addition to carrying out a survey of London borough Leaders to gauge their views on the operation of the existing remuneration scheme, the Panel has held a series of feedback meetings with groups of elected councillors, conducted a survey of the London branch of the Association of Democratic Services Officers (ADSO), and held meetings with officers from the London Borough Legal Alliance (LBLA), and the South London Legal Partnership (SLLP), in order to get a more complete picture of the challenges facing London's councillors today. The Panel also commissioned Ipsos to carry out a number of focus groups to gauge the public perception of councillors' roles, responsibilities and levels of allowances.
- 3.3 The member engagement focus groups consisted of a range of participants from the three major political parties – Labour, Conservative, and Liberal Democrat, and included a range of members from inner and outer boroughs, and with different levels of responsibility (e.g. newly elected backbench councillors, Cabinet Members and borough Leaders).
- 3.4 The Panel is grateful both to everyone who participated in the consultation process and thank them for their contributions as well and to London Councils for its support to the review.

4.0 The crucial role of elected councillors

The role of the councillor has fundamentally changed in recent times. There is now more reliance from the public on their local council due to challenges such as the cost of living crisis, the effects of the pandemic and the resettlement of refugees. (Borough Leader)

- 4.1 Councillors in London oversee multi-million pound budgets and employ thousands of people; all are responsible for the delivery of a wide range of crucial services. The health and wellbeing of residents and communities are at the heart of the work of London boroughs who also at one end of the age spectrum are endeavoring to give children the best start in life, whilst at the other are helping to support older people to live as independently as possible. Local councils are at the heart of developing their boroughs and working with businesses to bring local economic benefits. The building of new homes and the improvement in the standards of existing houses are crucial to their work as is their local leadership on climate change.
- 4.2 A key aspect of the responsibility of councillors is managing the complex financial pressures involved in addressing increases in the demand for services with reductions in budgets. The scale of a London council's annual expenditure budget and other financial activities are in many instances comparable with those of large publicly quoted companies.

“The budgets that borough Leaders are managing are huge, as is their level of responsibility when something goes wrong. A borough Leader’s role is now similar to that of a non-executive director of a large company” (Borough Leader)

- 4.3 At the same time Councillors are integral to the effectiveness of the local democratic process. As well as representing them, they stand ready to be approached by their residents to take up matters on their behalf where appropriate. The voice of democratically elected councillors in the development of the policies and strategies of their councils is absolutely essential. Councillors also play an important role in the oversight and scrutiny of services.
- 4.4 Some Councillors have additional and burdensome responsibilities, including Leaders of Councils, Elected Mayors and council portfolio holders. Some roles have specific statutory responsibilities (e.g. in the case of elected Mayors/statutory children's and adults cabinet members).
- 4.5 The needs of Londoners and of London's communities are becoming arguably more complex, given the seismic national and international changes ranging from the global energy crisis, climate change, patterns of migration and housing shortages. The national economic challenges directly affect households and communities as well as businesses and councils themselves.

5.0 The role of Member Allowances

- 5.1 It is important to reflect on the purpose of the allowances, payments and related arrangements for councillors.

- 5.2 The Panel draws the reader's attention to the report of the 2007 Independent Commission on the Role of Local Councillors, chaired by Dame Jane Roberts which was commissioned to consider the incentives and barriers for encouraging people who are able, qualified and representative to be candidates to serve as councillors; retaining and developing them once they are elected and enabling them to secure public interest and recognition for the work they carry out for their communities.
- 5.3 The Roberts commission considered a wide range of issues but at its heart were the key questions of: 1) how best to ensure that people from a wide range of backgrounds and with a wide range of skills are encouraged to serve as local councillors; and 2) how to ensure those who participate in and contribute to the democratic process should not suffer unreasonable financial disadvantage.
- 5.4 Within these broad considerations there can be no doubt that financial compensation or a system of allowances plays a crucial part in making it financially possible for local people to put themselves forward to take on the onerous responsibilities involved in being a councillor and indeed to continue to serve as one.
- 5.5 For this reason it is crucial that allowances for councillors across London are pitched at an appropriate level such that they make a major contribution in ensuring diverse and representative local representation. This 2023 review of Member allowances has aimed to take a step back and ensure that the recommended allowances are pitched such that they serve this crucial purpose.
- 5.6 We are clear that the Panel makes recommendations and that each council must determine its own system and rates of allowances. However each council must have regard to our recommendations. We are concerned at the wide variation between councils across London that has evolved over the years. **Given that this year's Panel review has been a significant stocktake and that we have made clear recommendations, with a clear rationale and for the important purpose described in this section, we strongly recommend that the findings of our review and the Panel's position are adopted across London. This is at the heart of ensuring a healthy, vibrant and representative local government in the capital.**

6.0 Time commitment and demands on councillors

- 6.1 Fulfilling the responsibilities of councillors in the many and various roles within a council has, arguably, always been demanding. In 2022 the Panel received anecdotal feedback that the workload and the time involved had increased significantly and so in this review we wanted to explore this in more detail.
- 6.2 The feedback from elected members and officers was that in the view of almost all the people we spoke to workloads, demands and pressures had increased. There appear to be a number of contributory factors:
- a wide range of recent events had added additional work; some examples given were: the demands of the pandemic years and the post-pandemic

recovery work; sometimes given was the level of work in the resettlement of refugees; and the work to support residents through the very significant economic challenges of recent years, including during the energy crisis but also linked to the impact of food inflation and increased risks of homelessness.

- there has been a noticeable increase in the expectation that leading councillors work in closer partnership with other public services. The Health and Care Act 2022 in particular brings an expectation that councils will work in formal partnership with NHS organisations including NHS providers and Integrated Health Boards.
- The feedback confirmed the views we were given in 2002 that public expectations of councillors has increased especially linked to the societal changes that social media has brought about. Although most of the councillors we spoke to welcomed the flexibility that now exists for increased levels of remote meetings, the downside appears to be that there are more meetings. The representations which have been made to the Panel also suggest a picture of councillors being expected to be almost instantly available, with heavy constituency case loads and often with ever more complex responsibilities for the running of the council and overseeing its services.

***“ One resident submitted a formal complaint because they had messaged me on Friday evening and I hadn’t replied to them until the following Monday morning.”
(Backbench councillor)***

As well as these issues adding complexity, they make additional time demands.

“There are now many more meetings than pre-Covid. There are also numerous social media groups councillors are expected to be involved in, case work, and other commitments. I have worked out that on average I work 54 hours a week” (Cabinet Member)

- 6.3 Members have told the Panel that it is increasingly difficult to maintain a full-time job alongside their role as councillors, and this is particularly true for Cabinet Members and Leaders. The implication of this would be that it is more likely that people who are already financially secure who can carry out these roles, which may prevent younger candidates, people with lower incomes or those with young families, from standing or taking on special responsibilities. Taking up a role in local government could also hinder councillors’ career progression in their day job, and in most cases the special responsibility allowances do not compensate for the reduced salary people receive as a result of not being able to dedicate themselves fully to their day

job. The time pressures involved in the role, particularly councillors with special responsibilities can make it difficult to combine the role with a job and caring responsibilities.

- 6.4 One borough Leader told the Panel that at the 2022 election, there were so few candidates that in some wards residents did not have a choice of councillors to vote for.
- 6.5 Councillors also expressed concern that appointments to positions carrying special responsibilities could be uncertain and not in most cases for a set term. Consequently, councillors have significant concerns about giving up full-time work to undertake more senior roles in their councils.

7.0 The Basic Allowance

- 7.1 As a result of the economic climate over the last decade and ongoing financial challenges, 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 for staff agreed by the National Joint Council for Local Government Staff.
- 7.2 As part of the research for this 2023 review, the Panel carried out benchmarking of recommendations on allowances and those paid by local authorities within the UK to see how current London allowances compare.
- 7.3 From the Panel's benchmarking research, it is evident that the previous Panel's recommendations for the basic allowance in London lags behind Scotland, Wales and Northern Ireland. This issue was identified in the last two Panel reports, however, the Panel reluctantly decided at the time that given the financial climate it would have been inappropriate to recommend a general increase in member allowances.
- 7.4 In our last report the Panel recommended that there should be a Basic Allowance paid to every councillor of £12,014. Updated for the local government staff pay awards since then, the figure is now £12,499.
- 7.5 This allowance continues to be substantially lower than the allowance paid by all local authorities in Scotland which is presently £20,099² and similarly in Wales³ where the government-appointed commission has set the basic allowance at £17,600 for members of local authorities with populations which are generally substantially lower than those of London boroughs. Furthermore, the basic allowance in Northern Ireland from 1 April 2023 is £16,394⁴ per annum. The Panel's research has established that there are some parts of England that have similar basic allowances to those currently recommended for London boroughs. However, there are other English local authorities, where the roles and responsibilities of councillors are broadly the same to those of councillors serving in London boroughs, that pay

² [The Local Governance \(Scotland\) Act 2004 \(Remuneration\) Amendment Regulations 2023 \(legislation.gov.uk\)](#)

³ [Independent Remuneration Panel for Wales: annual report 2022 to 2023 \[HTML\] | GOV.WALES](#)

⁴ <https://www.communities-ni.gov.uk/publications/circular-lg-0323-consolidated-councillor-allowances>

significantly more. For example, in Birmingham⁵, in 2022-23 the basic allowance was £18,876, and in Manchester⁶ it was £18,841.

- 7.6 The Panel is of the view that when taking everything into account that the rate of the basic allowance should now be addressed.
- 7.7 As part of the 2023 review, the Panel has reviewed the methodologies used by other Panels and has identified that Independent Panels across the UK use a variety of approaches for determining how to set the member allowances. The Panel has also re-examined the methodology used in calculating allowances in the original panel report and updated it to reflect current circumstances. The original calculation in the Panel's first report in 2001 was based on a proportion of the average 'white collar worker' wage in London.
- 7.8 Having looked at various options, the Panel has concluded that the most appropriate approach is to determine the basic allowance as a proportion to the remuneration of the people councillors represent and has used the Annual Survey of Hours and Earnings (ASHE) data, published by the Office for National Statistics as a basis of its calculation. The Panel has used the median wage for all London workers for this purpose. In 2022-23, this is £38,936.73 per annum. Based on a 37 hour week, and taking into account a 30% public service discount, (as has been the custom and practice) **the Panel has determined that the recommended basic allowance should be £15,960.**
- 7.9 The Panel considers that this allowance better reflects the high cost of living in London, than the previous recommendations.
- 7.10 It is the Panel's view that it is pressing that boroughs should implement these changes in 2024, as part of the contribution to recruiting and retaining a diverse range of good quality candidates to stand for office in London.

8.0 Special Responsibility Allowances

8.1 The reasons for payment of special responsibility allowances, additional to the basic allowance, 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.

8.2 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"

⁵ [Independent Remuneration Panel Reports | Birmingham City Council](#)

⁶ [Microsoft Word - MCC IRP Final Report \(manchester.gov.uk\)](#)

- 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.
- 8.3 The Panel's research shows that the categories of SRAs recommended by the London Panel are comparable with those recommended by Independent Panels in other cities in the UK and in Scotland and Wales.
- 8.4 However, the Panel's previous recommendations have not consistently been adopted within London, and the resulting situation is that whilst there is some convergence across London boroughs on the basic allowance, there remain substantial differences in the amounts of SRAs for similar roles in boroughs.
- 8.5 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 were historically determined as a sliding scale (pro-rata) proportion of the remuneration package for a council Leader. Since then, the increase in the remuneration of Members of Parliament has substantially exceeded the annual local government pay increase which was tied to the special responsibility allowance for the leader of a London borough, and the current MP salary is now £86,584
- 8.6 The Panel has taken the opportunity to review this historic link, and following feedback, we sense strong support for our own view that an MP's salary is no longer an appropriate comparator to set the Leader's allowance, as the roles are substantially different and indeed almost impossible to compare.
- 8.7 We received feedback that some members believe that the Leaders of London boroughs warrant a higher remuneration than an MP, because they have greater financial responsibility and legal burdens, and especially given the differential pension arrangements. Indeed, some respondent authorities suggested that the direct responsibilities of a Leader should command the salary of a junior minister.

"An MP does not undertake an executive role (strategic leadership, management & accountability of a complex public service operationally managed by highly paid officials) and so not a comparator to a Leader or elected Mayor"

(Borough Leader)

9.0 Leader's SRA

9.1 This is often a full-time role, involving a high level of responsibility. It is right that it should be remunerated on a basis which compares with roles with similar levels of responsibility, while still retaining a reflection of the voluntary character of public service.

9.2 For the Leader's SRA, the Panel has decided that a more appropriate comparator would be the Annual Survey of Hours and Earnings (ASHE) data for Corporate Managers and Directors as the level of responsibilities most closely align to those of a borough Leader. For 2022-23, the average gross annual salary for full time workers in London within this category was £108,242. After applying a 30% public service discount (as has been the custom and practice) this would provide for a Leader's total package of £75,773. The 2022 Panel report recommended that the Leader's SRA should be £62,090. Taking into account this figure, when combined with the new recommended basic allowance, the total package for a Leader would be £78,050. As this figure is greater than that based on the ASHE calculation, the Panel is not recommending any changes to the existing Leader's SRA at this time.

10.0 Other SRAs

10.1 The Panel has previously determined that all other SRAs are calculated as a proportion of the Leader's SRA. Since its inception, the Panel has recommended using bands rather than fixed amounts, in order to allow flexibility and recognise local variations on how the roles are performed. The Panel has decided to continue using this methodology. However, as part of the review, the Panel has benchmarked the sliding scale recommended by other Panels and used by local authorities and has adjusted the percentages historically used in order to more closely align with the average used by other local authorities outside of London. **The recommended bands and levels of allowance are attached as Annex A.**

11.0 Bridging the Gap and public perception

11.1 When considering a members' allowances scheme, boroughs are obliged to have regard to a report by an independent panel, but it is a matter for boroughs themselves

to decide whether to adopt its recommendations. However, in view of the evidence obtained over the past 18 months, the Panel strongly recommends that all authorities implement the recommendations in their boroughs in the next year. On average, the total annual budget for members allowances in a London Borough is between 0.4-0.5% of the council's general fund net budget. Notwithstanding this, the Panel acknowledges the challenges that increasing allowances may present to boroughs, both financially and reputationally; however, the Panel is concerned that if member allowances do not keep up with its recommendations, there is a risk that they will fall significantly further behind their comparators and that councils will consequently face even greater challenges in recruiting and retaining a good calibre of councillors in the future.

- 11.2 The Panel perceived that there was some concern from councillors about the public acceptability of increasing allowances. As a result we sought to test the public view and therefore commissioned Ipsos to undertake qualitative research, through a number of focus groups, on the public's perception on councillors remuneration. The Ipsos research was small scale but provides indicative evidence of public views.
- 11.3 Ipsos held three discussion groups with a representative sample of the general public in June 2023 using a deliberative approach to enable participants to reach an informed perspective. The stimulus material included pen portraits of councillors based on information received from London Councils' members on their working hours and levels of responsibility. The information given to participants also included typical allowances received in London, in Essex, and in Wales for councillors receiving a basic allowance and average SRAs paid to Cabinet Members, and council Leaders.
- 11.4 The research found that the Londoners in focus groups felt that allowances in London needed to increase to provide a more accurate reflection of councillors' responsibilities and hours.

"I thought at least [the Council Leader's remuneration] would be about a £100,000 plus for the amount of work that she does because she's taken on casework as well... and that's time-consuming."

When exposed to allowance comparisons in different parts of the country, participants thought the current allowances did not reflect the fact that the cost of living in London was higher than elsewhere in the country.

"Councillors' pay should take into account that living in London is more expensive, so they should immediately just be paid more in general."

In addition, they recognised that the level of allowances can have a detrimental effect on the diversity of councillors and would deter those from a lower income background from becoming councillors.

"It feels like [we're] paying them so little, it feels like there are some people who can't afford to be a councillor. And that has consequences on the democratic process"

- 11.5 Participants also suggested changes to remuneration for councillors: raising the basic allowance and increasing allowances to better reflect responsibilities and hours; and additional allowances provided to support councillors with childcare costs and saving for a pension.
- 11.6 Participants expressed surprise at the range of allowances paid across London, particularly at the cabinet member and council leader level and subsequently supported greater consistency in such remuneration levels across councils in London.
- 11.7 Although the sample of Londoners was only small, it indicates that with due briefing and deliberation there is likely to be support for the increase in allowances.

12.0 Training and support

- 12.1 The responsibilities of councillors are substantial, extensive and complex, particularly since the Pandemic and its aftermath, which has seen a rapid increase of using digital technology, and flexible ways of working. The training and development of councillors is beyond the remit of this Panel. However, the feedback we received was that councillors require the logistical and clerical support and appropriate IT equipment which will help them carry out their roles efficiently. The Panel supports this view and recommends that boroughs undertake their own stock takes to ensure appropriate support is in place to enable members to fulfil their responsibilities.
- 12.2 Furthermore, we have heard from boroughs that councillors are experiencing increased levels of abuse on social media, and so we recommend that training in navigating the increasingly challenging world of social media is also provided.

13.0 Care Costs

- 13.1 It is important that obstacles to becoming a councillor should be removed wherever possible. Care costs could be a significant deterrent to service as a councillor. Our strong view is 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 at least be set at the London living wage but payment should be made at a higher rate when specialist nursing skills are required or to reflect higher costs during non-standard working hours. We have had representation that the carers allowance should be payable to family members on the basis that it is preferable for family members to look after a dependent, especially in the evening but that the frequency is often such that it is unreasonable for this to be expected to be with no financial allowance.

The level of dependent carers allowance does not recognise the fact that babysitters tend to charge more for evening and weekend work. In addition, the carers allowance should be able to be claimed even if a family member was looking after the councillors' dependents" (Newly-elected Backbench Councillor)

- 13.2 We recognise that allowance payments for family carers who are not members of a councillor's household would need to be designed with some careful consideration but we are very sympathetic to this need and recommend that councils review their schemes to make this possible.
- 13.3 Our view is also 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). To this end, London boroughs are recommended to adopt a related parental leave and sickness policy as an appendix to their allowances scheme.
- 13.4 The Panel has received feedback that there is a need to reform the legislation governing membership of the Cabinet/Executive and how this impacts Councillors who wish to take parental leave. Councils have a strict statutory limit of ten members of the cabinet/executive – including the Leader. Should one of those members wish to take parental leave for any significant period during their tenure as a cabinet member, and there is already a full complement of cabinet and leader up to the statutory limit they are faced with what is an entirely unfair dilemma. They either resign from the post so another councillor can be appointed or they leave their colleagues with an additional workload for their period of absence. While some Councils have sought to appoint deputy cabinet members or the like these are not proper answers to this issue as they are not cabinet members with the appropriate legal and constitutional authority. It is very easy to compare this to the position of an employee where a replacement can be appointed for the duration without prejudice to the individuals' rights to return. While self-evidently Councillors are not employees there should not be any additional hurdles to participation for any section of the population.
- 13.5 The Panel support the view that the legislation needs reviewing.

14.0 Travel and Subsistence allowances

- 14.1 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.

15.0 Allowances for Civic Mayor or Civic Head

- 15.1 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.

16.0 Allowances that fall outside this scheme

- 16.1 Within the context of this review, the Panel has not looked at remuneration that councillors may receive for their roles on outside bodies, wholly owned companies or joint venture partnerships. However, in the interests of transparency, the Panel requests that councils consider how information on all members remuneration within their borough is made easily available to the public in the same place. The Panel recommends that where local authorities have set up companies which remunerate councillors who act as directors these allowance should be set out in the members allowances scheme.

17.0 Local discretion

- 17.1 It is for each borough 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. The Panel believes these should have the merits of being easy to apply, easy to adapt, easy to explain and understand, and easy to administer.
- 17.2 The scheme should be able to be applied to different types of governance arrangements and interpreted flexibly. The Panel has received legal advice that suggests that in boroughs which operate through the Committee System, where a Committee Chair has identified responsibilities in a role profile for particular services, then in practice the duties and responsibilities of a Committee Chair are equivalent to the role of a Cabinet Member and that a similar system of allowances should be used. For example, in some boroughs which use a committee system, their Lead Member on Children's Services is the Chair of the Children and Community Services Committee. In this case, it would be reasonable to suggest that this Committee Chair should receive the SRA equivalent to that of a Cabinet Member. The Panel must emphasise that these decisions are dependent on the arrangements adopted by the authority in question and should be decided on a case by case basis.

18.0 Pensions

- 18.1 There is a widespread view amongst the councillors we spoke to in 2022 and this year that a disincentive to the recruitment and retention of councillors has been the Government's decision in 2014 to remove the right of councillors to join the local government pension scheme. This was keenly felt by those councillors the Panel heard from. The Panel notes that the rationale behind that decision was unclear and that councillors in Scotland, Wales and Northern Ireland continue to be entitled to a local government pension. The Panel is of the view that this inconsistency should be addressed but it is a matter that is beyond the remit of the Panel.

19.0 Annual uplifts

- 19.1 The Panel continues to recommend that all allowances should be updated annually in line with the percentage pay award agreed by the National Joint Council (NJC) for Local Government Services staff. If the pay award is in the form of a lump sum, the percentage increase to be applied will be the minimum received by everyone on the NJC pay spine.

Mike Cooke

Sir Rodney Brooke CBE DL

Anne Watts CBE

DRAFT

Appendix A

THE RECOMMENDED MEMBER ALLOWANCE SCHEME FOR LONDON

The Basic allowance: £15,960

Special responsibilities – beyond the basic allowance

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.

BAND ONE

The posts that the Panel envisages 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
- First opposition group whip (in respect of council business)
- Vice chair of council business
- Chairs, vice chairs, area committees and forums
- Cabinet assistant
- 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

The Panel proposes that band one special responsibility allowances should be on a sliding scale of between 5-15% per cent of the Leader's SRA.

This would be made up as follows:

Basic allowance: £15,960

Band One allowance: £3,105 - £9,314

Total: £19,065 - £25,274

BAND TWO

The Panel considers that the types of office 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

The Panel proposes that band two allowances should be on a sliding scale between 25-50 per cent, pro rata of the remuneration package for a council leader.

This is made up as follows:

Basic allowance £15,960

Band two allowances: £15,523 - £31,046

Total: £31,483 - £47,006

BAND THREE

The Panel sees 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:

The Panel proposes that band three allowances should be between 60-75 per cent pro rata of the remuneration package for a council leader.

This is made up as follows:

Basic allowance: £15,960

Band three allowance: £37,255 - £46,569

Total: £53,215 - £62,529

BAND FOUR

Leader of the Council

This is often a full-time role, involving a high level of responsibility. It is right that it should be remunerated on a basis which compares with roles with similar levels of responsibility, while still retaining a reflection of the voluntary character of public service.

Remuneration:

The Panel proposes that the remuneration package for a council leader under band four of our scheme should be £78,052.

This is made up as follows:

Basic allowance: £15,960

Band four allowance: £62,092

Total: £78,052

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, the Panel believes that 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. The Panel believes that the distinction is paramount and this should be reflected in the salary level.

Remuneration:

The Panel proposes that a directly elected mayor should receive a remuneration of **£93,575**.

Appendix B

A Job Profile for councillors

In its previous reports, the Panel reflected on the importance of the role of elected members. The 'job profile' for councillors originally included in the Panel's 2010 report is repeated in as the Panel still considers it to be accurate and up to date.

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 represent effectively the interests of the ward for which the councillor was elected, and deal with constituents' enquiries and representations including, where required, acting as a liaison between the constituent and the local authority and where appropriate other public service providers.
10. To contribute constructively to open government and democratic renewal through active encouragement of the community to participate generally in the government of the area.
11. To participate in the activities of any political group of which the councillor is a member.
12. To undertake necessary training and development programmes as agreed by the authority.
13. To be accountable for his/her actions and to report regularly on them in accessible and transparent ways.

Appendix C

The independent panel members

Mike Cooke

Mike Cooke was the Chief Executive of the London Borough of Camden for seven years, where he had also been Director of Housing and Adult Social Care and HR Director. He has extensive experience of partnership working across London including as the Chief Executive Leadership Committee lead on children and chairing the London Safeguarding Children Board. Mike also has worked for seven years in financial services where he developed an expertise in remuneration.

Until November 2020 Mike had been a Non-Executive Director of the Central and North West London NHS Foundation Trust where he was chair of the HR Committee. Mike's current role is the Chair of the North Central London Integrated Health and Care System.

Sir Rodney Brooke CBE, DL

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.

Dr Anne Watts CBE

Anne Watts has an extensive career in governance, diversity and inclusion spanning commercial, public and voluntary sectors. She has held executive roles for HSBC and Business in the Community and was chair of the Appointments Commission. She has carried out reviews of Government departments and the Army. In addition she has been a member of Government Pay review bodies and Deputy Chair, University of Surrey where she chaired the Remuneration Committee and the new Vet School.

She is a non-exec of Newable (previously Greater London Enterprise) where she chairs the Environmental, Social and Corporate Governance Committee and is a non-exec of Newflex subsidiary. In addition she continues to sit on the Race and Gender Equality Leadership teams for Business in the Community.

