

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Full Council

Date: 24/05/2023

Subject: Members' Allowances Scheme 2023/24

Report of: The Leader of the Council - Councillor Stephen Cowan

Responsible Director: David Tatlow – Strategic Director of Corporate Services

Summary

This report requests approval to update the Members' Allowances Scheme approved by Council at its meeting in February 2023.

Recommendations

That the revised Members' Allowances Scheme 2023/24 as set out in the report and attached as Appendix 1, be approved.

Wards Affected: All

H&F Values	Summary of how this report aligns to the H&F Values
Creating a compassionate council	The council froze the basic and special care responsibility allowance for eight years to ensure that scarce resources have been spent on other key priorities such as meeting the needs of the most vulnerable in society.
Being ruthlessly financially efficient	The proposed basic allowance of £9,744.60 is lower than the £12,014 recommended by the Independent Remuneration Panel.

Financial Impact

Every councillor is entitled to a basic allowance. Due to the responsibilities undertaken by some Councillors, they are also entitled to a Special Responsibility Allowance (SRA). It is Administration policy that no councillor can claim two SRAs even if they hold two SRA posts. Expected member allowance costs for 2023/24 are set out below.

	Total
Basic Allowance	£487,230
Special Responsibility Allowance	£442,482
TOTAL	£929,712

The combined cost for basic allowances and special responsibility allowances is £929,712. In addition, employers' national insurance will cost an estimated £64,700 giving a total cost of £994,412. Costs will be funded by the Members' Allowances pay budget which for 2023/24 is set at £994,600.

It is recommended that any 2023/24 financial impact, as a result a decision to uplift allowances in line with changes to the national local government pay award, is mitigated by corporate provision set aside for pay inflation in 2023/24.

It is proposed that any ongoing financial impact as a result of the changes recommended in this report be included as part of the Council's Medium Term Financial Strategy and budget setting process.

Alex Pygram, Head of Finance, 15/05/2023

Verified by Andre Mark, Head of Finance – Strategic Planning and Investment, 15/05/2023

Legal Implications

Under Regulation 4 of the Local Authorities (Members' Allowances) (England) Regulations 2003 (the Regulations), the Council has the powers to make a scheme to provide for the payment of a basic allowance and any other allowance permitted by the Regulations. The proposals contained within the report are in line with the Regulations, Local Government Act 2000 and appropriate regulations.

Grant Deg, Assistant Director, Legal Services, 15/05/2023

Background Papers Used in Preparing This Report

The Remuneration of Councillors in London 2022 - Report of the Independent Panel

DETAILED ANALYSIS

Proposals and Analysis of Options

1. Council approved the 2023/24 Members' Allowances scheme at its meeting in February 2023. The Leader has now nominated an Executive consisting of ten Cabinet Members with appropriate portfolios reflecting their responsibilities.
2. The new Cabinet consists of the following Members:

Deputy Leader¹	Ben Coleman
Cabinet Member for Social Inclusion and Community Safety	Rebecca Harvey
Cabinet Member for Civic Renewal	Bora Kwon
Cabinet Member for Children and Education	Alex Sanderson
Cabinet Member for Climate Change and Ecology	Wesley Harcourt
Cabinet Member for The Economy	Andrew Jones
Cabinet Member for Housing and Homelessness	Frances Umeh
Cabinet Member for Finance and Reform	Rowan Ree
Cabinet Member for Public Realm	Sharon Holder

3. Eleven Lead Member positions have also been assigned.

President – H&F Enterprise Board*	Zarar Qayyum
Community Mental Health*	Lucy Richardson
Culture and Heritage	Mercy Umeh
European Co-operation and Digital Innovation	Florian Chevoppe-Verdier
Inclusive Community Engagement and Co-production	Sharon Holder
Support for Older People*	Asif Siddique
Youth Advancement*	Trey Campbell-Simon
Women and Girls*	Emma Apthrop
Energy Crisis Support*	Liz Collins
Flood Mitigation	Helen Rowbottom
Wellbeing and Early Access to Support*	Laura Janes

4. This paper is seeking to pay a special responsibility allowance of £2,943.00 for the newly created Lead Member for Wellbeing and Early Access to Support.

¹ Includes Health and Adult Social Care

The postholder will be reporting to the Cabinet Member for Social Inclusion and Community Safety and the Deputy Leader, the post holder will:-

- Promote an enhanced focus on wellbeing in communication with adult residents
 - Promote knowledge of and early access to support services within the borough
5. The Vice-Chair of Planning will receive the same SRA as Committee Chairs, in light of the significant number of meetings and officer briefings they are required to attend.
 6. Under the scheme only one SRA will be paid to a Councillor in respect of duties undertaken. The dependent carers allowance would be adjusted in line with the London Living Wage. The new scheme will take effect from 25 May 2023.

Independent Remuneration Panel's Report – January 2022

7. The Council is formally required to undertake a review of its members' allowances scheme each financial year. Any changes in allowances are required to take into account the recommendations of a local independent panel on remuneration for Councillors. Where a scheme includes a provision for an automatic uplift, the operation of this provision may only be relied on for a period of four years before reference must again be made to a local independent remunerator's report and recommendations.
8. The Local Authorities (Members' Allowances) (England) Regulations 2003 ('the Regulations') authorise the establishment by the Association of London Government (now London Councils) of an independent remuneration panel to make recommendations in respect of the members' allowances payable by London boroughs. Such a panel ('the Panel') was established and reported in 2001, 2003, 2006, 2010, 2014, 2018 and 2022. It now comprises Mike Cooke (Chair), Sir Rodney Brooke CBE DL and Anne Watts CBE. The Regulations require a review of the scheme every four years as a minimum. The current Panel has therefore completed a review of remuneration for councillors in London. A summary of their recommendations is attached at Appendix 2.

Annual Lift

9. The Independent Panel for the Remuneration of Councillors in London in its recent report reiterated its previous recommendation that uplifts to members allowances should be linked to an annual increase to local government staff pay awards to ensure that councillors receive annual increases which are in line with those received by staff. Therefore, this is what we are implementing for our members in 2023/24. Once the figure has been agreed and communicated by the Greater London Provincial Council, it will be backdated for all Members to 1 April 2023.

Review of Other Allowances

10. The current scheme has provision for a wide range of other allowances (see paragraphs 9 to 11 below).

Dependent Carer Allowance

11. Dependent carer allowance is payable in respect of expenses incurred for the care of a Councillor's children or dependants in attending meetings of the authority, its Executive, Committees and Sub-Committees and in discharging the duties set out in paragraph 7 of the Regulations. The Panel had recommended payment to be set at the London living wage, and (on presentation of proof of expense) payment should be made at a higher rate when specialist nursing skills are required.

Travel & Subsistence

12. Travel allowances are payable (at the same rates as employees) for duties undertaken away from the Town Hall when discharging duties under paragraph 8 of the Regulations. There will be no payment for intra-borough travel under this scheme, for example the use of public transport, car mileage or payment of a cycle allowance, unless a member requires assistance to discharge his or her duties due to ill health, disability or any other circumstances approved, in advance, by the Monitoring Officer. Taxis can be taken by Members who attend approved outside bodies and committee meetings out of the borough.

Sickness, Maternity and Paternity Allowance

13. Where a Member is entitled to a Special Responsibility Allowance, it will continue to be paid in the case of sickness, maternity and paternity leave on the same terms as employees.

Reasons for Decision

14. The Council is required under the Local Government Act 2000 and the Local Authorities (Members' Allowances) (England) Regulations 2003 to approve any amendments to the approved scheme.

List of Appendices:

Appendix 1 – Members' Allowances Scheme 2023/24

Appendix 2 – Summary of the Recommendations of the Remuneration of Councillors in London 2022 (Report of the Independent Panel)