

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Full Council

Date: 22/10/2025

Subject: Members' Allowances Scheme Review 2025/26

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

Report Author: Kayode Adewumi, Assistant Director of Democratic, Registration and Coroner's Services

Responsible Director: Sukvinder Kalsi, Executive Director of Finance and Corporate Services

SUMMARY

This report updates the 2025/26 Members' allowances approved at the Annual Council meeting in May. The review reflects the creation of a Lead Member position and the notification of the creation of a Green Party group on the Council. It also includes the new uplifted 2025/26 special responsibility allowance rate of 3.2% paid in line with the national local government pay settlement for employees.

RECOMMENDATIONS

1. That the Members' Allowances Scheme 2025/26 as set out in the report and attached as Appendix 1, be approved.
2. To note from 1st April the Members' basic allowance rate was increased in line with the average basic allowance paid across London for the previous year and the special responsibility allowance uplifted in line with the national local government pay settlement for employees.
3. To note the review and implementation of some of the recommendations of the 2023 Report of the Independent Panel on "The Remuneration of Councillors in London."
4. To note the Government's announcement that Councillors will be able to join the LGPS soon.

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 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. |

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| Being ruthlessly financially efficient | The proposed basic allowance of £12,347 is lower than the £15,960 recommended by the Independent Remuneration Panel. The Council is not supporting the Independent Panel's recommendations on Basic and Special Responsibility Allowances which would prove considerably more costly to local council taxpayers. However, in light of the creation of an additional political group on the Council, it is using its local discretion to set out how it will allocate SRA (Special Responsibility Allowance) to additional postholders. |

Financial Impact

Following the 2025/26 Members' allowances approved at the Annual Council meeting in May, the budget was set to fund the annual expenditure on all the proposed allowances (including SRAs) at £1.270m for 2025/26 (this includes employer's national insurance).

A new Lead Member for Libraries role has been created and will require a special responsibility allowance of £3,549. The Deputy Whip post will be paid a special responsibility allowance of £7,314. The two changes above will require additional funding of £10,863 (only part year required in 2025/26) which will need to be added to the budget from corporate contingency.

Alex Pygram, Head of Finance (Finance and Corporate Services), 3rd October 2025 and verified by Andre Mark, Head of finance (Strategic planning and investment), 14th March 2025

Legal Implications

The payment of both basic and special responsibility allowances is governed by the Local Authorities (Member Allowances) (England) Regulations 2003 ("The Regulations"). The Regulations also require the Council to have regard to the Independent Panel report on Member Allowances in London. The Independent Panel's report makes it clear that payment of a special responsibility allowance may only be made where an individual councillor has significantly greater responsibilities and time commitments than other members.

It is confirmed that there are no legal impediments to agreeing the recommendations set out in the report.

Glen Egan, Assistant Director of Legal Services 6 October 2025

Background Papers Used in Preparing This Report

The Remuneration of Councillors in London 2023 (published January 2024) - Report of the Independent Panel.

DETAILED ANALYSIS

Proposals and Analysis of Options

1. This report updates the 2025/26 Members' allowances approved at the Annual Council meeting in May. The review reflects the notification of a new Lead Member position and the notification of the creation of a Green Party group. It includes the new uplifted 2025/26 special responsibility allowance rate of 3.2% paid in line with the national local government pay settlement for employees. It also asks the Council to approve a local discretion setting out how it will allocate allowances to some SRA postholders.

Creation of New Lead Member role and other positions

2. A new Lead Member for Libraries role was created in July by the Leader and Councillor Patricia Quigley was appointed to it. She will be paid an SRA of £3,549 from 14th July 2025.

Councillor Patrick Walsh has been replaced by Councillor Nimmo as one of the Administration's Deputy Whips. He will be paid an SRA of £7,314.

Green Group

3. On 21 July, the Chief Executive received notification of the resignation of Councillors Liz Collins and Trey Campbell-Simon from the Labour Party and that they have become members of the Green Party of England and Wales. They are now sitting on the Council as Green Party councillors. As the second Opposition Group on the Council the following positions have been notified:-
 - Councillor Trey Campbell-Simon – Leader of the Green Group
 - Councillor Liz Collins – Green Group Business Manager

4. The Independent Remuneration Panel Findings – SRA Payments

The Independent Remuneration Panel on "The Remuneration of Councillors in London" makes a list of recommendations regarding allowances. These recommendations are listed in Appendix 2 of the report.

It requires reasons for the payment of a special responsibility allowance to be clearly set out in local allowances schemes. In LBHF, SRAs are paid to positions where there are significant differences in the time requirements and levels of responsibility from those generally expected of a councillor. The Panel has determined that all other SRAs are calculated as a proportion of the Leader's SRA. It also recommended using bands rather than fixed amounts, in order to allow flexibility and recognise local variations on how the roles are performed. 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. It is for each borough to decide how to allocate their councillors between the different bands, having regard to the recommendations and how to set the specific remuneration within the band.

5. Regard has been had to the recommendations in the Independent Remunerator's report for differential banding in relation to the payment of Special Responsibility Allowances (SRAS), but in line with the Administration's priorities, it has been decided not to follow the independent remunerator's recommendations which would have proved considerably more costly to local council taxpayers. However, in light of the creation of an additional political group on the Council and the need to futureproof our arrangements, it will be using its local discretion to set out how it will allocate SRAs to postholders of such groups:-
 - A person acting as the leader of a 2nd or 3rd Opposition political group within the authority will receive a SRA if the group consists of 4 or more members.
 - The SRA paid will be 20% of the amount received by the main Opposition Leader.
6. This will make it easy to apply, easy to adapt, easy to explain and understand, and easy to administer in the event of having councillors from more than two political groups.

2025/26 Annual Lift - Basic and Special Responsibility Allowance

7. The basic allowance paid to all Members for 2025/26 is £12,347.
8. The Independent Panel for the Remuneration of Councillors in London in its recent report reiterated its previous recommendation that members allowances should be uplifted annually in line with the pay settlement for employees. The Council supported this for SRAs and the uplift for 2025/26 was 3.2%. This was backdated to 1st April.
9. The table below shows the new Special Responsibility Allowances.

| Position | No | 2025 SRA 3.2% |
|--|-----------|--------------------------|
| The Leader | 1 | £42,312 |
| Deputy Leader | 1 | £35,253 |
| Other Cabinet members | 8 | £28,203 |
| Chief Whip (where not a member of Cabinet) | 1 | £28,203 |
| Chair, Policy and Oversight Board | 1 | £28,203 |
| Deputy Chief Whip (2)* | 1 | £7,314 |
| Chair of Policy & Accountability Committee | 6 | £7,314 |
| Leader of the Opposition | 1 | £21,147 |
| Deputy Leader of the Opposition | 1 | £7,314 |
| Opposition Whip | 1 | £7,314 |

| | | |
|---|-----------|---------|
| Chair of Planning and Development Control Committee, Audit Committee*, Pension Fund Committee, Licensing Committee* (4) | 4 | £9,143 |
| Vice-Chair of Planning and Development Control Committee* | 1 | £7,314 |
| The Mayor | 1 | £21,147 |
| Deputy Mayor | 1 | £7,314 |
| Lead Members ** | 9 | £3,549 |
| Total | 38 | |

Local Government Pension Scheme (LGPS) – Announcement to reinstate Members’ Entitlement

10. The Secretary of State for Housing, Communities and Local Government, Steve Reed, announced at the recent Labour Party Conference that Councillors will once again be able to join the Local Government Pension Scheme. Councillors were excluded from the Local Government Pension Scheme in 2014. Reinstatement of Councillors in the LGPS has been an issue that many people within the sector have supported over the years. Members’ inclusion will encourage more people of all ages and backgrounds to serve as elected members. Once the Government announces the full implementation details of the new proposal, we will inform Members how they can join the scheme and its financial implications.

Equality Implications

11. Locally elected representatives play a vital role are at the heart of our democratic and civic society. They fulfil many roles within the council which are time consuming and demanding. Low allowance could be a disincentive to the recruitment and retention of high-quality councillors from a wider range of backgrounds.
12. However, a robust Members’ allowance scheme will encourage a wider representation from our local community to contribute to open government and democratic renewal. The Basic Allowance covers basic out-of-pocket expenses incurred by councillors while undertaking their duties. With the increased workload faced by Members, an uplift will make the role more attractive to recruit a wider representation of our local community. The Members’ allowances scheme provides for special circumstances, such as support for councillors with disabilities or sickness and encourages people with children to take up office as expenses incurred for the care of a Councillor’s children or dependants while attending meetings of the authority is covered.
13. Members’ inclusion in the LGPS will encourage more people of all ages and backgrounds to serve as elected members.

List of Appendices:

Appendix 1 – Members’ Allowances Scheme 2025/26

Appendix 2 – Summary of the Recommendations of the Remuneration of Councillors
in London 2023 (Report of the Independent Panel published January 2024)