



London Borough of Hammersmith & Fulham

COUNCIL

29 MAY 2013

MEMBERS' ALLOWANCES SCHEME - REVISIONS

Report of the Leader of the Council – Councillor Nicholas Botterill

Open Report

Classification - For Decision

Key Decision: No

Wards Affected: All

Accountable Executive Director: Jane West – Executive Director Finance and Corporate Governance

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1. EXECUTIVE SUMMARY

- 1.1 This report provides an update to the Members' Allowances Scheme approved by Council at its meeting on 27 February 2013.

2. RECOMMENDATIONS

- 2.1 That the revisions to the Members' Allowances Scheme 2013/14 as set out in the report and attached as Appendix 1, be approved.

3. REASONS FOR DECISION

- 3.1. The Council is required under the Local Government Act 2000 and the Local Authorities (Members' Allowances) (England) Regulations 2003 to undertake an annual review of its Members' Allowances scheme and approve any amendments to the scheme.

4. MEMBERS' ALLOWANCES SCHEME UPDATE

- 4.1 Council approved the 2013/14 Members' Allowances scheme at its meeting in February. Subsequently, the Administration has nominated an Executive consisting of eight Cabinet Members increasing the current number by one. The Cabinet Member portfolios have been changed to reflect the new responsibilities.

4.2 The new Cabinet consists of the following Members:-

LEADER (+REGENERATION, ASSET MANAGEMENT AND IT)	Councillor Nicholas Botterill
DEPUTY LEADER (+ RESIDENTS SERVICES)	Councillor Greg Smith
CABINET MEMBER FOR CHILDREN'S SERVICES	Councillor Helen Binmore
CABINET MEMBER FOR COMMUNICATIONS (+CHIEF WHIP)	Councillor Mark Loveday
CABINET MEMBER FOR COMMUNITY CARE	Councillor Marcus Ginn
CABINET MEMBER FOR EDUCATION	Councillor Georgie Cooney
CABINET MEMBER FOR HOUSING	Councillor Andrew Johnson
CABINET MEMBER FOR TRANSPORT AND TECHNICAL SERVICES	Councillor Victoria Brocklebank-Fowler

4.3 The Leader has split the former Cabinet Member for Children's Services portfolio into Education and Children's Services portfolios due to the increasing workload. The new Children's Services portfolio has been designated as the "Statutory Lead Member and Cabinet Member" for "Children's Services". The post holder will discharge the education and children's social services functions of the local authority as set out in section 18(2) of the Children Act 2004. A further Cabinet Member for Education post has been created to oversee the schools functions. This post is not a statutory lead Member role. In respect of the schools and children's services areas, the Cabinet Member for Education will work to the overall direction set by the Cabinet Member for Children's Services.

4.4 Five Cabinet Assistant posts have also been appointed to cover specific areas of strategic policy input into the Administration's priority area as follows:-

Councillor Harry Phibbs (Communications)
Councillor Belinda Donovan (Culture)
Councillor Adronie Alford (Housing)
Councillor Frances Stainton (Parks)
Councillor Ali de Lisle (Street Scene)

None of these post holders will be in receipt of a Special Responsibility Allowance.

4.5 It is proposed that a Lead Member for Crime and Anti Social behaviour post be created to coordinate Neighbourhood Watch activities and work with the Deputy Leader on the Council's Crime and Anti Social Behaviour priority. Councillor Belinda Donovan has been appointed to this position which will attract a special responsibility allowance.

5. LEGAL IMPLICATIONS

5.1 The legal implications for this report are contained in the body of the report.

Implications verified by: Tasnim Shawkat, Director of Law 020 8753 2700

6. FINANCIAL AND RESOURCES IMPLICATIONS

6.1 The new allowances can be accommodated within the existing budget.

Implications verified by: Jane West, Executive Director of Finance and Corporate Governance 020 8753 1900

LOCAL GOVERNMENT ACT 2000 **LIST OF BACKGROUND PAPERS**

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	None		
CONTACT OFFICER		NAME: Kayode Adewumi EXT. 2499	

APPENDIX 1

Members' Allowances Scheme 2013-14 (Annual Review)

[Effective from 30st May 2013]

This scheme is made in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 ("the Regulations") for 2012 –2013 and subsequent years. The allowances scheme has been prepared having regard to the report of the Independent Panel on the Remuneration of Councillors in London established by London Councils on behalf of all London Councils, co-authored by Rodney Brooke, Drew Stevenson and Jo Valentine, and published in May 2010.

1. Basic Allowance

1.1 The Independent Remunerator's report suggests a flat-rate basic allowance be paid to each member of the authority of £9964 per annum to be paid in 12 monthly instalments on the 15th of each month.

1.2 The Council has taken into account the independent remunerator's recommendation but has decided to retain its own basic rate allowance frozen at the 2008 – 09 level.

The basic rate allowance for all LBHF Councillors will therefore be:

- £8,940 - to be paid in 12 monthly instalments on the 15th of each month.

Councillors only receive an allowance for the period of their term of office in cases where it is less than the whole financial year.

2. Special Responsibility Allowances

2.1 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 the interest of maintaining a low council tax and the current economic conditions, it has been decided to freeze the council's own scheme of sras at the same level approved for 2008/09 and not to follow the independent remunerator's recommendations which would have proved considerably more costly to local council taxpayers.

2.2 The following Special Responsibility Allowances shall therefore be paid to Councillors holding the specified offices indicated:

The Leader	£35,763
Deputy Leader	£29,796
Other Cabinet members (6)	£23,838
Chief Whip (where not a member of Cabinet)	£23,838
Deputy Chief Whip	£5,000
Chairmen of Overview & Scrutiny Committees/Select Committees (4)	£6,183
Leader of the Opposition	£17,874

Deputy Leader of the Opposition	£6,183
Opposition Whip	£6,183
Chairmen of Planning Applications Committee, Audit, Pensions and Standards Committee, Licensing Committee, and Councillor Member on Adoption Panel	£6,183
The Mayor	£11,922
Deputy Mayor	£6,183
Cabinet Assistants (5)	£0
Lead Member - Crime and Anti Social behaviour	£3,000

Councillors only receive an allowance for the period of their term of office in cases where it is less than the whole financial year. A Special Responsibility Allowance would cease where the SRA entitled post ceases to exist during year.

3) Other Allowances

a) *Dependent Carer Allowance*

Dependant 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.

(1) £4.18 per half hour before 10 p.m.; £5.31 per half hour after 10 p.m. (not payable in respect of a member of the councillor's household).

b) *Travel & Subsistence*

Allowances are payable (at the same rates as employees) for duties undertaken away from the Town Halls when discharging duties under paragraph 8 of the Regulations. In addition, the cost of travel after late evening meetings from the Town Hall would be paid.

(1) Public Transport

Actual travel costs (second class only) will be reimbursed.

(2) Car mileage

45 pence per mile.

(3) Cycle allowance

£36.93 per month – where this is claimed, no other travel claims are permissible.

(4) Subsistence

Allowance payable at same rates and conditions as employees. Payment is only made for expenses incurred outside the Borough, and is subject to a maximum of £5.00 per claim.

c) **Sickness, Maternity and Paternity Allowance**

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 in the same way as employees.

4) Annual Increase

The allowances in this scheme apply to the financial year 2013/14. All allowances have been frozen at the 2008/09 level.

5) Election to forego allowances

In accordance with the provisions of regulation 13, a Councillor may, by notice in writing to the Chief Executive, elect to forego any part, or all, of his or her entitlement to an allowance under this scheme.

6) Time limit for claims

The majority of allowances are payable monthly, but where allowances are the subject of claims, these claims should be made in the agreed form with the appropriate declaration within six months of the duty to which they relate.

7) Withholding of allowances

In the event of a Councillor being suspended or partially suspended, the Audit, Pensions and Standards Committee shall have the power to withhold the allowances payable to that Councillor either in whole or in part for the duration of that suspension.

8) MEMBERS' Pensions

Previously, Councillors could only join the authority's pension scheme if they were aged under 70 and could only pay contributions and accrue benefits until their 70th birthday. However, under new pension's regulations, the situation has changed, and the independent remunerator's report now recommends all Councillors under the age of 75 years be entitled to join the London Borough of Hammersmith & Fulham Pension Scheme, and have their basic allowance and special responsibility allowances treated as pensionable. This recommendation has accordingly been adopted.

9) Membership of more than one authority

A member may not receive allowances from more than one authority (within the meaning of the regulations) in respect of the same duties.

ALLOWANCES FOR CO-OPTED MEMBERS AND INDEPENDENT MEMBERS OF THE AUDIT, PENSIONS AND STANDARDS COMMITTEE

Co-optees

The independent remunerator's report recommends a rate of allowance for co-opted members of £117 per meeting, to be calculated on an annualised basis by the number of meetings. This recommended figure has not been adopted. The Council's own figure of £504.00 p.a. is payable by equal monthly instalments of £42.00 on the 15th of each month.

Co-opted members shall be entitled to the same travel allowances as Councillors, but shall not be entitled to subsistence payments.

Audit, Pensions and Standards Committee Independent Members

The London Borough of Hammersmith and Fulham shall pay an allowance to one of the two appointed Independent Members at a flat rate allowance of £504 per annum payable by equal monthly instalments of £42.00 on the 15th of each month. The Royal Borough Kensington and Chelsea shall pay a similar allowance to the other appointed Independent Member.

In all cases, the allowances given in this scheme shall not be uprated by the same percentage rate of increase as the previous years' national Local Government Pay Settlement but frozen at the 2008/09 levels.