



London Borough of Hammersmith & Fulham

COUNCIL

20 MAY 2015

MEMBERS' ALLOWANCES SCHEME: REVISION

Report of the Leader of the Council: Councillor Stephen Cowan

Open Report

Classification - For Decision

Key Decision: No

Wards Affected: All

Accountable Executive Director: Nigel Pallace, Chief Executive

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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 25 February 2015.

2. RECOMMENDATIONS

- 2.1. That the revisions to the Members' Allowances Scheme 2015/16 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. INTRODUCTION AND BACKGROUND

- 4.1 Council approved the 2015/16 Members' Allowances scheme at its meeting in February. Subsequently, the Administration nominated an Executive consisting of ten 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	Councillor Stephen Cowan
DEPUTY LEADER	Councillor Michael Cartwright
CABINET MEMBER FOR CHILDREN AND EDUCATION	Councillor Sue Macmillan
CABINET MEMBER FOR COMMERCIAL REVENUE AND RESIDENT SATISFACTION	Councillor Ben Coleman
CABINET MEMBER FOR ECONOMIC DEVELOPMENT AND REGENERATION	Councillor Andrew Jones
CABINET MEMBER FOR ENVIRONMENT, TRANSPORT & RESIDENTS SERVICES *	Councillor Wesley Harcourt
CABINET MEMBER FOR FINANCE	Councillor Max Schmid
CABINET MEMBER FOR HEALTH AND ADULT SOCIAL CARE	Councillor Vivienne Lukey
CABINET MEMBER FOR HOUSING	Councillor Lisa Homan
CABINET MEMBER FOR SOCIAL INCLUSION	Councillor Sue Fennimore

4.3 In line with the Independent Remuneration Panel's recommendation, it is proposed that only one SRA should be paid to a councillor in respect of duties with the same authority. Where a Councillor is entitled to two SRAs, he or she will be paid the highest allowance.

4.4 During the review of the Allowances Scheme in February 2015, the Council formally took into account the recommendations of the local Independent Panel on Remuneration for Councillors. It was decided that the Council would continue to set its own SRA in line with local conditions. Under Regulation 5 of the Local Authorities (Members' Allowances) (England) Regulations 2003, the Council has the powers to agree the amount it pays its members.

4.5 In line with the Independent Remuneration Panel's recommendation, the Council recognises the need for Dependent Carers payments to have regard to local circumstances and the nature of specialist care. The ordinary carer should be remunerated at not less than the London living wage of £8.60 per hour and payment should be made at a higher rate when specialist skills or care is required to attend meetings.

5 LEGAL IMPLICATIONS

5.1 The proposals contained within the report are in line with the Local Government Act 2000 and appropriate regulations. The legal implications for this report are contained in the body of the report.

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

6. FINANCIAL AND RESOURCES IMPLICATION

- 6.1 The increase of one Cabinet Member will result in an additional Special Responsibility Allowance payment of £21,500. There will also be an increase in one Deputy Chief Whip resulting in a payment of £5,500. These costs will be met from within the existing budget provision for Governance and Scrutiny Services.
- 6.2 Implications verified by: Andrew Lord. Head of Strategic Planning and Monitoring, Corporate Finance, 020 8753 2531

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

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	None		

Members' Allowances Scheme 2015-16 [Effective from 21st May 2015]

This scheme is made in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 ("the Regulations") for 2015–2016 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 Sir Rodney Brooke CBE DL (Chair), Steve Bundred and Anne Watts CBE, and published in June 2014.

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 £10,703 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 2014/15 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	£32,186.70
Deputy Leader	£26,816.40
Other Cabinet members (8)	£21,454.20
Chief Whip (where not a member of Cabinet)	£21,454.20
Deputy Chief Whip (2)	£5,564.70
Chair of Policy & Accountability Committees (5)	£5,564.70
Leader of the Opposition	£16,086.60
Deputy Leader of the Opposition	£5,564.70

Opposition Whip	£5,564.70
Chair of Planning and Development Control Committees, Audit, Pensions and Standards Committee, Licensing Committee, and Councillor Member on Adoption and Fostering Panel	£5,564.70
The Mayor	£10,729.80
Deputy Mayor	£5,564.70
Lead Members (2) – Contracts, and Hospitals and Health Care	£2,700.00

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) £4.30 per half hour before 10 pm; £5.31 per half hour after 10 pm (not payable in respect of a member of the Councillor's household).

b) *Travel (Outside of the Borough) & Subsistence*

Travel 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. There will be no payment for intra Borough travel under this scheme. Taxis can be taken by Members who attend approved outside bodies and committee meetings out of the borough.

(1) Public Transport

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

(2) Car mileage

45 pence per mile.

(3) 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 2015/16. All allowances have been frozen at the 2014/15 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) 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.

9) Non Entitlement to more than One SRA

A member shall not receive more than one SRA in respect of duties undertaken with the authority. Where a Councillor is entitled to two SRAs, he or she will be paid the highest allowance.

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

Co-optees

Co-opted members shall be paid £504.00 per annum by equal monthly instalments of £42.00 on the 15th of each month.

Co-opted members shall be entitled to the same travel and dependent Carer 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 of Kensington and Chelsea shall pay a similar allowance to the other appointed Independent Member.