


<b>London Borough of Hammersmith &amp; Fulham</b>  <b>COUNCIL</b>  <b>17 May 2017</b>		 hammersmith & fulham
<b>MEMBERS ALLOWANCES SCHEME</b>		
<b>Report of the Cabinet Member for Finance – Councillor Max Schmid</b>		
<b>Open Report</b>		
<b>Classification:</b> For Information		
<b>Key Decision:</b> No		
<b>Wards Affected:</b> None		
<b>Accountable Director:</b> Sarah Thomas, Director of Delivery and Value		
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## 1. EXECUTIVE SUMMARY

- 1.1. This report requests confirmation of the Members' Allowances Scheme approved by Council at its meeting on 22 February 2017.

## 2. RECOMMENDATIONS

- 2.1. That the Members' Allowances Scheme 2017/18, attached at 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 2017/18 Members' Allowances scheme at its meeting in February 2017. The Administration has abolished the Commercial Revenue and Resident Satisfaction and Social Inclusion Cabinet portfolios resulting in savings. The duties and responsibilities of these posts have been reallocated to the Deputy Leader and other Cabinet posts.

- 4.2 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.
- 4.3 During the review of the Allowances Scheme in February 2017, the Council formally considered 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.
- 4.4 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 £9.40 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: Rhian Davies, Monitoring Officer 020 8753 2700

## **6. FINANCIAL IMPLICATION**

- 6.1 The members' allowances proposed in Appendix A can be met from existing budgets. The removal of two Cabinet portfolios will result in a reduction in Special Responsibility Allowances with respect to these posts of £42,900 which will contribute to the Council's required savings.
- 6.2 Implications verified by: Emily Hill, Head of Corporate Finance, 020 8753 3145.

## **7. EQUALITY IMPLICATIONS**

- 7.1 The equalities implications of this decision has been considered to be neutral.
- 7.2 Implications verified/completed by: Kayode Adewumi, Head of Governance and Scrutiny 020 8753 2499.

## **8 BUSINESS IMPLICATIONS**

- 8.1 There are none.
- 8.2 Implications verified/completed by: Kayode Adewumi, Head of Governance and Scrutiny 020 8753 2499.

**LOCAL GOVERNMENT ACT 2000 - LIST OF BACKGROUND PAPERS** - None.

## **Members' Allowances Scheme 2017-18**

### **Effective from 1 April 2017**

This scheme is made in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 ("the Regulations") for 2017–2018 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.

	<b>No.</b>	<b>Basic Allowance</b>	<b>Total</b>
<b>All Councillors</b>	46	£8,940	£411,240

### **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 line with Administration's priorities, 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:

<b>Position</b>	<b>No</b>	<b>SRA Entitlement</b>	<b>Total SRA</b>
The Leader	1	£32,186.70	£32,186.70
Deputy Leader	1	£26,816.40	£26,816.40
Other Cabinet members	6	£21,454.20	£128,725.20
Chief Whip (where not a member of Cabinet)	1	£21,454.20	£21,454.20
*Deputy Chief Whip (2)	1	£5,564.70	£5,564.70
Chair of Policy & Accountability Committees	5	£5,564.70	£27,823.50
Leader of the Opposition	1	£16,086.60	£16,086.60
Deputy Leader of the Opposition	1	£5,564.70	£5,564.70
Opposition Whip	1	£5,564.70	£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 (4)	3*	£5,564.70	£16,694.10
The Mayor	1	£10,729.80	£10,729.80
Deputy Mayor	1	£5,564.70	£5,564.70
Lead Members – Contracts, and Hospitals and Health Care	2	£2,700.00	£5,400.00
<b>Total</b>			<b>£308,175.30</b>

\*This portfolio holder receives only one SRA in respect of duties undertaken.

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**

#### **Dependent Carer Allowance**

3.1 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.

- a) £4.70 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).

#### **Travel and subsistence**

3.2 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 unless where a member requires assistance to discharge his or her duties due to ill health or other circumstances approved by the Monitoring Officer. Taxis can be taken by Members who attend approved outside bodies and committee meetings out of the borough

### **Public Transport**

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

### **Car mileage**

- b) 45 pence per mile.

### **Subsistence**

- c) 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.

### **Sickness, maternity and paternity allowance**

- d) 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**

- 4.1 The allowances in this scheme apply to the financial year 2017/18. All allowances have been frozen at the 2014/15 level.

## **5. Election to forego allowances**

- 5.1 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**

- 6.1 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**

- 7.1 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**

- 8.1 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**

- 9.1 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.

## **10. Pensions**

- 10.1 No Members of the Council shall be entitled to membership of the Local Government Pension Scheme in accordance with Section 7 of the Superannuation Act 1972.

## **11. Allowances for co-opted members and independent members of The Audit, Pensions and Standards Committee**

### **Co-optees**

- 11.1 Co-opted members shall be paid £504.00 per annum by equal monthly instalments of £42.00 on the 15<sup>th</sup> of each month.
- 11.2 Co-opted members shall be entitled to the same travel and dependent carer allowances as Councillors, but shall not be entitled to subsistence payments.

### **Independent Members**

- 11.3 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 15<sup>th</sup> of each month.