Croydon Council

REPORT TO: CORPORATE SERVICES COMMITTEE
21 MARCH 2007

AGENDA ITEM:

SUBJECT: Review of the Scheme of Members’ Allowances

LEAD OFFICER: Council Solicitor and Secretary

CABINET MEMBER: Councillor Steve O’Connell, Deputy Leader
Councillor Enley Taylor, Community Cohesion and Customer & Organisational Services

WARDS: All

CORPORATE PRIORITY/POLICY CONTEXT: The Scheme of Members’ Allowances forms Part 6 of the Council’s Constitution. The Corporate Services Committee is authorised under Part 3 of the Constitution to review the Scheme of Allowances.

FINANCIAL SUMMARY: This report recommends that Croydon should not implement the increases to allowances proposed by the Independent Panel on the Remuneration of Councillors in London; and further that no ‘inflation’ increase be applied to Members’ allowances at 1 April 2007. The overall cost of the Scheme will be unchanged.

FORWARD PLAN KEY DECISION REFERENCE NO.: Not applicable

For general release

1. RECOMMENDATIONS

1.1 That the Committee notes the findings of the Independent Panel on the Remuneration of Councillors in London (October 2006 report);

1.2 That the Independent Panel’s proposals for increases to the allowances paid to Members be not adopted and the allowances paid to Croydon Councillors be retained at the current level;

1.3 That the ‘annual adjustment’ provision be amended as set out at Annex 1 and that no inflation uplift be applied to the Basic or Special Responsibility Allowances payable from 1 April 2007;

1.4 That the Dependent Carer, Travel and Subsistence Allowances be retained at the current levels; and

1.5 That the Scheme be re-adopted as at Annex 1 with effect from 1 April 2007.
2. EXECUTIVE SUMMARY

2.1 It is appropriate to review the Scheme of Members’ Allowances (‘the Scheme’) following the change of Administration in May 2006 and a number of minor constitutional changes since then. The Scheme must be reviewed in any case during 2007 as the law allows any provision for automatic annual adjustment to run for up to 4 years before being reviewed. Croydon last reviewed its Scheme in December 2003 since when a provision for automatic annual adjustment has been in place.

2.2 It is a statutory requirement for the Council to take into account the recommendations of an independent panel when reviewing the Scheme. To assist efficiency and consistency London Boroughs may, instead of setting up their own panel, consider the recommendations of the London Councils’ Independent Panel on the Remuneration of Councillors in London (the ‘Panel’). The Panel’s most recent recommendations were published in October 2006. This report sets out those recommendations and the Council’s proposed response.

3. RECOMMENDATIONS OF THE INDEPENDENT PANEL ON THE REMUNERATION OF COUNCILLORS IN LONDON

3.1 The Panel’s recommendations are attached in full at Annex 2. These re-affirm the arrangements proposed in the Panel’s previous reports (2001, 2003 reports and 2005 addendum) which the Council took into account when agreeing the current Scheme.

3.2 The main thrust of the Panel’s new recommendations is that London’s Councillors should be paid more. In particular it suggests that Council Leaders have an equivalent workload to a backbench MP and pay bands should be weighted accordingly; that some Cabinet roles and chairs of Planning Committee posts should attract higher allowances; and that (subject to the necessary legislative change) senior Councillors who lose their seats at elections should be entitled to 6 months re-settlement payments. The Panel also stress the importance of Councillors being accountable and their performance monitored to ensure that they are providing value for money.

Proposed response to the Panel’s recommendations

3.3 With the exception of the areas listed below, Croydon’s Scheme is already broadly in accordance with the Panel’s recommendations. SRAs are compatible with the suggested bands, Cabinet ‘Deputy’ roles have been recognised, only one SRA is payable to any Councillor and there is a commitment to Member learning and development.

(a) Levels of Special Responsibility Allowances

3.4 In relation to the proposals to increase allowances, there is agreement
that proper remuneration is essential to open up access for individuals to serve and reflect their communities as Councillors. However the full cost of implementing the proposals at the maximum level could be up to £145,000 a year and Members have indicated their view that it would not be appropriate at this stage to increase the allowances payable under Croydon’s scheme.

(b) Pensions

3.5 The Panel recommends that Members should be eligible to join the Local Government Pension Scheme before their 75th birthday, as per the changed pensions regulations. However, the Council has previously agreed (15 December 2003) that Members will not have access to the Local Government Pension Scheme. It is not recommended that this decision be changed.

(c) Co-optees’ Allowances

3.6 The Panel recommends that allowances be paid to independent co-opted members serving on the Standards Committee and Education Overview and Scrutiny Committee; and to the independent chair of an Audit Committee. Croydon’s current Scheme does not provide for allowances to be paid to co-opted or independent members. No change is recommended to this position.

(d) Inflation

3.7 The Panel recommends that allowances should be updated annually in line with the headline figure in the annual local government pay settlement. This provision is included in Croydon’s scheme, although it is proposed (see section 4 below) that the increase should not be implemented for the forthcoming year.

4. ANNUAL ADJUSTMENT OF ALLOWANCES

4.1 Croydon’s Scheme provides that the Basic Allowance and SRAs are automatically adjusted on 1 April each year in line with the Local Government Pay Settlement. This avoids the need for a formal review of the Scheme and report to Committee every year merely to adjust the allowances for inflation.

4.2 However, Members have indicated that they would prefer not to implement any increase in allowances at the current time. It is therefore proposed that a minor amendment be made to the wording of the scheme to facilitate this, and that no inflation increase should be applied to the Basic Allowance or SRAs at 1st April 2007.

5. DEPENDENT CARER, TRAVEL AND SUBSISTENCE ALLOWANCE

5.1 The Dependent Carer, Travel and Subsistence Allowances payable under the Scheme are also due for review. There have been no
material changes in legislation regarding these allowances and it is recommended that they be retained at the current rates as shown in Annex 1. For ease of reference it is proposed that all of these allowances be included in the Scheme as printed in the Constitution.

6. CONSULTATION

6.1 The proposals in this report have been subject to consultation with the relevant Cabinet Members and Chief Officers. Comments received have been incorporated into the report.

6.2 There are statutory publicity requirements which must be implemented after any changes to an Allowances Scheme have been approved.

7. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

1 Revenue and Capital consequences of report recommendations

<table>
<thead>
<tr>
<th></th>
<th>Current year</th>
<th>Medium Term Financial Strategy – 3 year forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2006/07</td>
<td>2007/08</td>
</tr>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
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<tr>
<td>Revenue Budget</td>
<td></td>
<td></td>
</tr>
<tr>
<td>available</td>
<td></td>
<td></td>
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<tr>
<td>Expenditure</td>
<td>1,658</td>
<td>1,658</td>
</tr>
<tr>
<td>Income</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Effect of decision</td>
<td></td>
<td></td>
</tr>
<tr>
<td>from report</td>
<td>(1,658)</td>
<td>(1,658)</td>
</tr>
<tr>
<td>Expenditure</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Income</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Remaining budget</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

| Capital Budget       |              |         |         |         |
| available            |              |         |         |         |
| Expenditure          | 0            | 0       | 0       | 0       |
| Effect of decision   |              |         |         |         |
| from report          | 0            | 0       | 0       | 0       |
| Expenditure          | 0            | 0       | 0       | 0       |
| Remaining budget     | 0            | 0       | 0       | 0       |

2 The effect of the decision

There are no financial or risk assessment considerations arising from this report. The total cost of the Members’ Allowances Scheme will be contained within the existing budget.

3 Risks

No financial risks have been identified.
4 Options
None identified.

5 Future savings/efficiencies
None identified.

6 (Approved by: Bola Bajamo, Finance Manager, Policy & Corporate Services)

8. COMMENTS OF THE SOLICITOR TO THE COUNCIL


9. HUMAN RESOURCES IMPACT

9.1 There are no direct Human Resources considerations arising from this report.

9.2 (Approved by: Robert Laban, Head of HR Consultancy, on behalf of the Divisional Director of HR & OD).

10. EQUALITIES IMPACT

10.1 The Scheme of Members’ Allowances seeks to ensure that suitable persons from all communities within the Borough are attracted to and enabled to serve as Members of the Council. This is particularly relevant in the case of the Dependent Carer Allowance.

11. ENVIRONMENTAL & DESIGN, CRIME & DISORDER REDUCTION AND HUMAN RIGHTS IMPACTS

11.1 There are none.

12. FREEDOM OF INFORMATION/DATA PROTECTION CONSIDERATIONS

12.1 The Council’s Constitution is included in the Publication Scheme which specifies the Classes of Information that the Authority publishes in accordance with the Freedom of Information Act 2000.

CONTACT OFFICER: Julie Belvir, Council Secretary and Solicitor, ext 64985

BACKGROUND DOCUMENTS: No unpublished background documents were relied upon to a material extent in the preparation of this report.
Annex 1

CONSTITUTION OF THE LONDON BOROUGH OF CROYDON

PART 6

SCHEME OF MEMBERS’ ALLOWANCES

1 The Council has adopted a scheme of Members’ allowances that complies with the Local Authorities (Members Allowances) (England) Regulations 2003 (No. 1021) as amended and having considered the recommendations of the London Councils’ Independent Panel on the Remuneration of Councillors in London.

The Croydon scheme provides for:

- Every Councillor to receive a basic allowance which shall be inclusive of all travel costs incurred within the Borough;

- Councillors appointed by the Annual Council, or subsequently by virtue of the office they hold, shall receive a Special Responsibility Allowance;

- No Councillor shall receive more than one Special Responsibility Allowance;

- Out-of-Borough travel and subsistence allowances shall be reviewed by the Corporate Services Committee and paid in line with levels set by the Committee, unless already prescribed by Statutory Instrument or Circular. Costs related to travel and subsistence outside the Borough only when incurred undertaking an approved duty shall be eligible for reimbursement;

- The scheme for reimbursement of costs associated with providing childcare or care for a dependent relative incurred by a Councillor when undertaking an approved duty is set out in Appendix A and it shall be reviewed periodically by the Corporate Services Committee;

- Any Councillor may elect to forego all or part of the Basic Allowance and if appropriate the Special Responsibility Allowance, to which they are entitled, by writing to the Council Secretary and Solicitor. Otherwise all allowances due to each Councillor shall be paid automatically each calendar month on the basis of one 12th the total;
• Members do not have access to the Local Government Pension Scheme.

• The scheme does not provide for the payment of any allowances to co-optees.

• Members shall only be entitled to a pro-rata payment in respect of a term of office which is not for a complete year.

• In all other respects, the scheme of allowances as set out here shall remain in place until such time as the Council decides otherwise.

2 The respective levels of Basic and Special Responsibility Allowances payable from 1 April 2007 are set out in Appendix B.

3 The Mayor and Deputy Mayor shall receive allowances for expenses in accordance with relevant legislation in relation to the discharge of their ceremonial and other duties. The level of expenses paid to the Mayor and Deputy Mayor are as shown in Appendix B.

4 The level of the Basic Allowance, Special Responsibility Allowances, Mayor’s and Deputy Mayor’s Allowances shall be subject to automatic annual adjustment on 1 April in line with the headline figure in the local government pay settlement agreed nationally for local authority staff, unless the Corporate Services Committee shall decide that this adjustment shall not be implemented in respect of a particular year or years. In any event the Corporate Services Committee shall have power periodically to review the scheme.
APPENDIX A

DEPENDENT CARERS, TRAVEL & SUBSISTENCE ALLOWANCE SCHEMES

Councillors are entitled to claim reimbursement of expenditure incurred on the provision of the care of their children and dependent relations requiring care when undertaking an Approved Duty, subject to the provisions of the scheme set out below. Councillors are also entitled to claim travel and subsistence expenses incurred in the performance of an Approved Duty.

Approved Duties

An Approved Duty shall be one that is specified in the relevant statutory Regulations, which currently provide for the following activities:

1. A meeting of the Executive.
2. A meeting of a Committee of the Executive.
3. A meeting of the Authority.
4. A meeting of a Committee or Sub committee of the Authority.
5. A meeting of any other body to which the Councillor has been appointed or nominated by the Authority.
6. A meeting of a Committee or Sub Committee to which the Councillor has been appointed or nominated by the Authority.
7. A meeting which has been authorised by the Authority, a Committee or Sub Committee or a joint Committee of the Authority or one or more other authorities, or a Sub Committee of a joint Committee and to which representatives of more than one political group have been invited.
8. A meeting of a local authority association of which the Authority is a member.
9. Duties undertaken on behalf of the Authority in pursuance of any standing order made under s135 of the Local government Act 1972, requiring a member to be present while tender documents are opened.
10. Duties undertaken on behalf of the authority in connection with the discharge of any function of the Authority conferred by or under any enactment and empowering or requiring the Authority to inspect or authorise the inspection of premises.
11. Duties undertaken on behalf of the Authority in connection with arrangements made by the Authority for the attendance of pupils at a school approved for the purposes of s342 of the Education Act 1996.
The following Rates of Allowances shall be monitored by the Corporate Services Committee, who shall also have power to revise them.

### RATES OF DEPENDENT CARERS, TRAVEL & SUBSISTENCE ALLOWANCES TO MEMBERS OF THE COUNCIL

The following allowances will be paid as a reimbursement of INCURRED expenditure FOR AN APPROVED DUTY, following the submission of receipts or other supporting documents, within 2 months of the expenditure being incurred.

#### DEPENDENT CARERS ALLOWANCE

1. Expenditure not exceeding £7 per hour, incurred in respect of care provided by a person that is not a member of the Councillor’s household, for:
   - The care of children 15 years of age or under living in the Councillor’s household; or
   - The care of other dependants where there is medical or social work evidence that care is required; or

#### TRAVEL ALLOWANCES (payable only for Out-of-Borough travel)

**Rail or other Public Transport**

Ordinary or cheap fare, at first class rates, plus actual expenditure on:
- [a] Pullman car or similar supplements; reservation of seats; deposit or porterage of luggage.
- [b] Sleeping accommodation for an overnight journey (subject to thirty-three and one third percent reduction of any subsistence allowance payable for that night.)

**Taxi-Cab or Cab**

- [a] In cases of urgency or where no public service is reasonably available, the amount of the actual fare and any reasonable gratuity paid;
- [b] In other cases, the equivalent fare for travel by an appropriate public transport.

**Private motor vehicle**

The rate for travel by a Member’s private motor vehicle shall not exceed the following rates:

- [i] motorcycle, tricar or motor car of cylinder capacity 500cc **25.9p per mile**
- [ii] not exceeding 999cc **34.6p per mile**
- [iii] 1000cc - 1199cc **39.5p per mile**
- [iv] 1200cc and above **48.5p per mile**
- [v] For the carriage of each additional Member of the Council (not exceeding four): 3.0p per mile for the first passenger and 2.0p per mile for second and subsequent passengers.
- [vi] Expenditure on tolls, ferries, parking fees.
- [vii] Reimbursement of overnight parking charges.
Private bicycle
The rate for travel by a Member’s private bicycle shall not exceed 24.0p per mile.

Hired Cars
The rate which would have been applicable had the vehicle belonged to the Member who hired it. Subject to the approval of the Corporate Services Committee, the rate may be increased to an amount not exceeding the actual cost of hiring.

SUBSISTENCE ALLOWANCES (payable only for Out-of-Borough subsistence)

<table>
<thead>
<tr>
<th>Allowance</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breakfast Allowance</td>
<td>£4.92</td>
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<tr>
<td>More than 4 hours away from normal place of residence or a lesser period before 11am.</td>
<td></td>
</tr>
<tr>
<td>Lunch Allowance</td>
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<tr>
<td>More than 4 hours away from normal place of residence or a lesser period including the lunchtime between noon and 2pm.</td>
<td></td>
</tr>
<tr>
<td>Tea Allowance</td>
<td>£2.67</td>
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<tr>
<td>More than 4 hours away from normal place of residence or a lesser period including the period 3pm to 6pm.</td>
<td></td>
</tr>
<tr>
<td>Evening Allowance</td>
<td>£8.38</td>
</tr>
<tr>
<td>More than 4 hours away from normal place of residence or a lesser period ending after 7pm.</td>
<td></td>
</tr>
<tr>
<td>Overnight Absence</td>
<td>£79.82</td>
</tr>
<tr>
<td>From usual place of residence</td>
<td></td>
</tr>
<tr>
<td>Overnight Absence in London</td>
<td>£91.04</td>
</tr>
<tr>
<td>Or for the purpose of attendance at an annual conference (including or not including an annual meeting) of the Association of County Councils, the Association of Metropolitan Authorities and the Association of District Councils or such other association of bodies as the Secretaries of State may for the time being approve for the purpose.</td>
<td></td>
</tr>
</tbody>
</table>


NOTE: Any Subsistence Allowances claimed should be reduced by an appropriate amount in respect of any meal provided free of charge by the Council or body in respect of the meal or the period to which the allowance relates. Additionally, where main meals are taken on trains during a period for which there is an entitlement for a day subsistence allowance, the reasonable cost of the meals (including VAT) may be reimbursed in full. In such circumstances, reimbursement for the reasonable cost of a meal replaces the entitlement to the day subsistence allowance for the appropriate meal period.
**APPENDIX B**

Councillors’ Basic and Special Responsibility Allowances 2007/08

<table>
<thead>
<tr>
<th>Allowance</th>
<th>Amount (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Basic Allowance</strong></td>
<td>11,596</td>
</tr>
<tr>
<td><strong>Mayor’s Allowance</strong></td>
<td>18,646</td>
</tr>
<tr>
<td><strong>Deputy Mayor’s Allowance</strong></td>
<td>9,324</td>
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<tr>
<td><strong>Special Responsibility Allowances</strong></td>
<td></td>
</tr>
<tr>
<td>(paid in addition to Basic Allowance).</td>
<td></td>
</tr>
<tr>
<td>Leader of the Council</td>
<td>40,355</td>
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<tr>
<td>Deputy Leader(s)</td>
<td>33,777</td>
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<tr>
<td>Cabinet Members</td>
<td>30,707</td>
</tr>
<tr>
<td>Deputies</td>
<td>11,411</td>
</tr>
<tr>
<td>Chair of Scrutiny and Overview Committee</td>
<td>22,815</td>
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<tr>
<td>Scrutiny Deputy Chair and Vice Chairs</td>
<td>11,411</td>
</tr>
<tr>
<td>Majority Group Secretary</td>
<td>11,411</td>
</tr>
<tr>
<td>Chief Whip (Majority Party)</td>
<td>13,823</td>
</tr>
<tr>
<td>Chair of Planning Committee</td>
<td>13,823</td>
</tr>
<tr>
<td>Chairs of Licensing and</td>
<td></td>
</tr>
<tr>
<td>Corporate Services Committees</td>
<td>11,411</td>
</tr>
<tr>
<td><strong>Largest Minority Group</strong></td>
<td></td>
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<tr>
<td>Leader of the Opposition</td>
<td>21,059</td>
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<tr>
<td>Deputy Leader(s)</td>
<td>8,998.50</td>
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<tr>
<td>Shadow Cabinet members</td>
<td>6,586</td>
</tr>
<tr>
<td>Chief Whip (Minority Party)</td>
<td>6,586</td>
</tr>
<tr>
<td>Group Secretary</td>
<td>6,586</td>
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</table>
RECOMMENDATIONS OF THE INDEPENDENT PANEL ON THE REMUNERATION OF COUNCILLORS IN LONDON (OCTOBER 2006)

We have completed our review of remuneration for councillors in London. We shall publish a fuller report as soon as possible. This will be a composite of these recommendations and our reports of 2001 and 2003.

We are well aware that members’ allowances can be contentious. But we are emphatic that the quality of local democracy depends on the ability of councils to attract able people to serve as councillors. Excellent Councils have excellent members. Financial reward is not and should not be the main motivation for service as a councillor. But a reasonable remuneration can make it possible for a wider range of people to stand for election. In his interim report on local government, Sir Michael Lyons comments that councillors are generally underpaid for the vital work which they do. We entirely agree. We believe that councils have a duty to ensure that their scheme of allowances is realistic. We very much hope that London Councils will again endorse our recommendations. We urge that all London boroughs should adopt them.

The recommendations in our report are:

1. We believe that the scheme of allowances which the Panel recommended in 2001, updated for inflation, is still appropriate. At Annex A we set out the five Bands of responsibility with updated figures for the Basic Allowance and for the five Bands.

2. We believe that the roles which we identified as attaching to the Bands are still, in general terms, appropriate. The main changes affecting the role of councillors since our last report have been around representativeness, accountability and community leadership. We have addressed these in our recommendations. We are aware that new roles have been developed, e.g. in relation to Community leadership, leadership of a specific major project, and assistants to Cabinet members holding particularly demanding portfolios like Children’s Services. Such responsibilities can also provide development opportunities for the leaders of the future. We think that such roles should be identified as meriting an allowance in Band One.

3. With changes in local government structure and organisation, we accept that some Cabinet roles may be more demanding than others. Although it may be sensible for many Councils to remunerate Cabinet members at the same level, we believe that there is sufficient width in Band Three to permit Councils to recognise different levels of responsibility within the Cabinet where this is appropriate.

4. In return for the levels of remuneration which we propose, it is important that councillors account publicly for their activities. This will enable the electorate to make an informed judgement on the
performance of their elected representatives in liaising with their constituents and representing their interests within the council and, in the more senior roles, their leadership in addressing the borough’s issues. There are examples of good practice in this area and we will set them out in our fuller report.

5. Planning is an important responsibility of local government. Some London boroughs face planning issues of considerable complexity. In such cases, we believe that it is appropriate that the Chair of the Planning Committee should be rewarded at the higher level of Band Two.

6. We believe that allowances for co-opted members should be made only for those serving on the Standards Committee, for Education co-optees and for the independent chair of an Audit Committee. In our 2001 report we recommend an annual co-optees allowance based on the expected number of meetings at a rate of £100 per meeting. Updated, this figure now stands at £117. We recommend that the independent chair of the Standards Committee should receive a co-optees’ allowance on the same basis, but with a rate of £240 per meeting to reflect the greater responsibilities of this post.

7. We believe that the role descriptions in our 2001 report are generally still appropriate. We make two additions to our description of the basic role of councillors. One relates to undertaking necessary training and development and the other to being accountable and reporting on their actions. A revised job description for councillors is attached at Annex B. We believe that all Councils should adopt such a job description to make absolutely clear what is expected of a councillor.

8. We reiterate that not more than 50% of councillors should receive a Special Responsibility Allowance (SRA) and that only one SRA should be paid to a councillor in respect of duties with the same authority.

9. Although councillors are not employees, we believe that it is reasonable that their special responsibility allowances should not cease in case of sickness, maternity and paternity leave in the same way that employees enjoy such entitlements. We recommend that Councils should be able to make arrangements in their schemes in appropriate circumstances to enable this to happen.

10. There is at present no provision in the legislation for resettlement payments to councillors. We consider that if recipients of SRAs in Bands Two, Three, Four and Five lose their seat at the polls they should be entitled to six months continued allowance to provide a cushion of time during which they can seek alternative employment. This will require legislative change, but we will make representation to Government to seek this change.
11. As stated in our letter of 26 July 2006, pension regulations have changed so that councillors are now eligible to join the LGPS before their 75th birthday. We recommend that all councillors below the age of 75 should be allowed to join the LGPS.

12. We continue to recommend that the allowances we recommend should be updated annually in accordance with the headline figure in the annual local government pay settlement. We appreciate that Regulation 10 Local Authorities (Members’ Allowances) (England) Regulations 2003 appears to require re-adoption of the scheme at the start of each municipal year; but if there is to be no change other than the annual update we recommend, then we believe that this can be achieved by a simple formal resolution.

13. We have considered carefully the possibility of introducing performance related pay for councillors. While this has its attractions, we are convinced that the practical difficulties are too great. However, we commend those Councils which have introduced performance appraisals for Councillors.

14. While we continue to believe intra borough travel should be part of the basic allowance, we recognise there are circumstances where it may be appropriate for a scheme to provide payment for the cost of transport e.g. journeys home after late meetings and for people with disabilities.

Rodney Brooke CBE DL
Professor Drew Stevenson
Baroness Jo Valentine
London
18 October 2006
A P P E N D I X A

Special Responsibilities – Beyond the Basic Allowance

The case for special allowances

The reasons for payment of additional special responsibility allowances should be clearly set out in local allowances schemes. Special allowances should come into play only in positions where there are significant differences in the time requirements and levels of responsibility from those generally expected of a councillor.

Categories of special allowances

The regulations specify the following categories of responsibility for which special responsibility allowances may be paid:
- Members of the executive where the authority is operating executive arrangements
- Acting as leader or deputy leader of a political group within the authority
- Presiding at meetings of a committee or sub-committee of the authority, or a joint committee of the authority and one or more other authorities, or a sub-committee of such a joint committee
- Representing the authority at meetings of, or arranged by, any other body
- Membership of a committee or sub-committee of the authority which meets with exceptional frequency or for exceptionally long periods
- Acting as spokesperson of a political group on a committee or sub-committee of the authority
- Membership of an adoption panel
- Membership a licensing or regulatory committee
- Such other activities in relation to the discharge of the authority’s functions as require of the member an amount of time and effort equal to or greater than would be required of him by any one of the activities mentioned above whether or not that activity is specified in the scheme.

Local discretion

It is for the councils locally to decide how to allocate their councillors between the different bands having regard to our recommendations. They must have regard to our recommendations.

We believe these should have the merits of being easy to apply, easy to adapt, easy to explain and understand, and easy to administer.

Band One

The posts we envisage falling within Band One include:
- Vice-Chair of a Service, Regulatory or Scrutiny Committee
- Chair of Sub-Committee
- Leader of Second or Smaller Opposition Group
- Service Spokesperson for First Opposition Group
- Group Secretary (or equivalent) of Majority Group
- First Opposition Group Whip
- Vice Chair of council business
Chairs and Vice Chairs of Area Committees or Area Forums
Cabinet Assistant
Leadership of a strategic major topic

Remuneration
We propose that Band One special responsibility allowances should be on a sliding scale of between 20%-30% of the remuneration package for a council leader.

*This would be made up as follows:*
Basic Allowance: £9,964
Band 1 Allowance: £2,227 to £8,323
Total: £12,191 to £18,267

Band Two
The types of office we contemplate being within Band Two are:
Lead member in scrutiny arrangements, perhaps a Chair of a Scrutiny Committee
Representative on key outside body
Chair of major regulatory committee e.g. planning
Chair of council business
Leader of principal opposition group.

Remuneration
We propose that Band Two allowances should be on a sliding scale between 40%-60% pro rata of the remuneration package for a council leader.

*This is made up as follows:*
Basic Allowance £9,964
Band 2 allowances: £14,418 to £26,609
Total: £24,382 to £36,573

Band Three
We see this band as appropriate to the following posts:
Cabinet Member
Chair of the main overview or scrutiny committee
Deputy Leader of the Council

Remuneration:
We propose that Band Three allowances should be between 70%-80% pro rata of the remuneration package for a council leader.

*This is made up as follows:*
Basic Allowance: £9,964
Band 3 Allowance: £32,705 to £38,801
Total: £42,669 to £48,765

Band Four
Leader of Cabinet
This is a full-time job, involving a high level of responsibility. It is right that it should be remunerated on a basis which compares with similar positions in the public sector, whilst still retaining a reflection of the voluntary character of public service. The most appropriate measure is, in our view, that of a backbench MP. The functions of a full-time Leader of a London borough must be at least as onerous as those of an MP, and it would be quite wrong to expect that they could be remunerated at a lower rate, even excluding (as we do) the generous expenses package to which a backbench MP is entitled. We propose that the remuneration package for a Council Leader under Band Four of our scheme should be £61,155.

This is made up as follows:
Basic Allowance: £9,964
Band 4 Allowance: £51,191
Total: £61,155

Band Five

Directly Elected Mayor
A Directly Elected Mayor is a major innovation in the political management of local government with the office holder taking on a new role and exercising executive responsibilities over a fixed electoral cycle. We believe this post is significantly different to that of the Council Leader with Cabinet model and that it is a full time job with an importance which should be reflected in the salary level.

We propose that a Band Five Directly Elected Mayor should receive a remuneration package of 25% higher than that recommended for a Council Leader and that it should be a salary set at £76,194.
APPENDIX B

On behalf of the community – a job profile for councillors

Purposes:
• To participate constructively in the good governance of the area.
• To contribute actively to the formation and scrutiny of the authority’s policies, budget, strategies and service delivery.
• To represent effectively the interests of the Ward for which the councillor was elected, and deal with constituents’ enquiries and representations.
• To champion the causes which best relate to the interests and sustainability of the community and campaign for the improvement of the quality of life of the community in terms of equity, economy and environment.
• To represent the council on an outside body, such as a charitable trust or neighbourhood association.

Key Tasks:
• To fulfil the statutory and local determined requirements of an elected member of a local authority and the authority itself, including compliance with all relevant codes of conduct, and participation in those decisions and activities reserved to the full Council (e.g. Setting budget, overall priorities, strategy).
• To participate effectively as a member of any committee or Panel to which the councillor is appointed, including related responsibilities for the services falling within the committee’s (or Panel's) terms of reference, human resource issues, staff appointments, fees and charges, and liaison with other public bodies to promote better understanding and partnership working.
• To participate in the activities of an outside body to which the Councillor is appointed, providing two-way communication between the organisations. Also, for the purpose, to develop and maintain a working knowledge of the authority’s policies and practices in relation to that body and of the community’s needs and aspirations in respect of that body’s role and functions.
• To participate in the scrutiny or performance review of the services of the authority including where the authority so decides, the scrutiny of policies and budget, and their effectiveness in achieving the strategic objectives of the authority.
• To participate, as appointed, in the area – and service-based consultative processes with the community and with other organisations.
• To represent the authority to the community, and the community to the authority, through the various forums available.
• To develop and maintain a working knowledge of the authority’s services, management arrangements, powers/duties, and constraints, and to develop good working relationships with relevant officers of the authority.
• To develop and maintain a working knowledge of the organisations, services, activities and other factors which impact upon the community’s well-being and identity.
• To contribute constructively to open government and democratic renewal through active encouragement to the community to participate generally in the government of the area.
• To participate in the activities of any political group of which the councillor is a member.
• To undertake necessary training and development programmes as agreed by the authority.
• To be accountable for his/her actions and to report regularly on them in accessible and transparent ways.