

# **London Councils 2018 Remuneration of Members**

## **Report of the Independent Panel on Members' Allowances**



## Introduction

1. The Local Authorities (Members' Allowances) (England) Regulations 2003 ('the Regulations') authorise the establishment by the Association of London Government (now *London Councils*) of an Independent Remuneration Panel to make recommendations in respect of the members' allowances payable by London boroughs. Such a Panel was established and reported in 2001, 2003, 2006, 2010 and 2014. It will report again in 2017.
2. In 2004 the Panel, acting under Regulation 6 of the Regulations, made recommendations on the allowances to be paid to the elected officers of the Association of London Government. The Panel's recommendations were accepted with only slight amendment. The Panel met again in 2006 and made further recommendations about changes in the scheme. In 2010 and 2014 the Panel recommended further minor modifications, which were accepted. The Panel continued to recommend that the allowances should be updated annually in line with the local government staff pay settlement.
3. The Panel has been re-constituted and now comprises Sir Rodney Brooke CBE DL (Chair), Steve Bundred and Anne Watts CBE. We have considered whether any change in circumstances warrants a change to the remuneration scheme.

## Principles

4. The Panel continues to base its conclusions on the principles enunciated in 2004:
  - Those who contribute as London councillors to the work of *London Councils* should be remunerated along the same lines and in accordance with the same principles as members of London boroughs.
  - The level of special responsibility allowances should be such as will properly reflect the time commitment and expertise required to fulfil these roles.
  - *London Councils* remains an important representative body.
  - Financial reward is and should not be the motivation for service on *London Councils*, but equally its scheme of allowances must make it economically possible for the organisation to draw on a wide range of councillors across the political spectrum.
5. We have sought the views of the Leaders of London Councils and of the Chief Executive. They concur that the scheme is fit for purpose and requires no change. We accept their advice.
6. We are mindful of the current economic climate and the severe constraints it places on the finances of local government. Because of this climate, in recent years *London Councils* members have not accepted the pay increases negotiated for local government staff. As a result, the allowances paid are below the level which they would have reached had the increases been accepted.

7. Recognising the long-term inadvisability of allowing members' allowances to decline in real terms, we believe that the allowances should be updated to include the pay increases negotiated for local government staff. We recognise that members may choose not to accept such increases but believe that it is important that they should be formally approved if only to set a base line for the future. The schedule to this report sets out the levels of remuneration which we recommend.
8. Our previous recommendations remain in place – no member should receive more than one allowance and allowances should continue to be updated annually in line with the staff pay settlement.
9. We therefore recommend the allowance set out in the appendix below.

**Rodney Brooke**

**Steve Bundred**

**Anne Watts**

**January 2018**

## Appendix

	Amount recommended <sup>1</sup>	Amount taken <sup>2</sup>
<b>Executive</b>		
Chair	£22,068	£20,997
Deputy Chair, Vice-Chair and other Executive members with portfolios	£11,034	£10,499
without portfolio	£5,519	£5,250
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<b>Party Group Policy Leads</b>	£2,759	£2,625
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<b>Grants Committee</b>		
Chair	£11,034	£10,499
Grants Vice-Chair	£2,759	£2,625
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<b>Transport and Environment Committee</b>		
Chair	£11,034	£10,499
Vice-Chair	£2,759	£2,625
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<b>Greater London Employers' Forum</b>		
Chair	£11,034	£10,499
Vice-Chair	£2,759	£2,625
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<b>Pensions CIV Joint Committee</b>		
Chair	£11,034	£10,499
Vice-Chair	£2,759	£2,625
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Audit Committee Chair	£5,519	£5,250
Capital Ambition Chair	£5,519	£5,250
Lead member for Equalities	£5,519	£5,250
Whip	£5,519	£5,250

(Footnotes)

1 The 2014 figure increased in each year since by the local government officers' pay award

2 The amount taken by members has remained the same since 2014

