

Members' Allowances Scheme

1. INTRODUCTION

- 1.1 This Scheme is based on the independent report and recommendations of Sir Rodney Brooke CBE DL, Chair of London Councils Independent Remuneration Panel. The London Borough of Hackney is part of the arrangements provided by London Councils Independent Remuneration Panel that is responsible for reviewing members' allowances and developing a report and recommendations for councils to consider.
- 1.2 This Scheme has been approved by full Council of the London Borough of Hackney in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003.
- 1.3 This Scheme may be cited as the London Borough of Hackney Members' Allowances Scheme for 2016-17 and shall have effect from 25th May 2016.
- 1.4 Before the start of each financial year, full Council shall adopt a Scheme for the payment of Basic Allowances, as required by the Regulations.
- 1.5 In addition, provision for the following allowances shall be made in accordance with the Regulations for payments of:
 - Special Responsibility Allowance;
 - Independent and Co-opted Members Allowance;
 - Independent Person Allowance;
 - Carers Allowance;
 - Maternity, Paternity and Sickness Pay;
 - Travel and Subsistence Allowance;
- 1.6 The London Borough of Hackney has also introduced specific arrangements for its Scheme to be independently reviewed on a routine basis with reference to London Councils Independent Remuneration Panel.

2. BASIC ALLOWANCE

- 2.1 A Basic Allowance is paid to all Councillors in recognition of their commitment to attend formal meetings of the Council as well as meetings with officers and constituents. The Basic Allowance is intended to cover any incidental costs which may arise, such as use of private telephones.
- 2.2 Each Councillor is entitled to claim a Basic Allowance of £10,262.90 per annum, which is payable monthly via the Council's payroll.

3. **SPECIAL RESPONSIBILITY ALLOWANCE**

- 3.1 A Special Responsibility Allowance (SRA) is payable in addition to the Basic Allowance to those Councillors that are given significant additional Council duties.

4. **THE ALLOWANCES**

- 4.1 The Basic Allowances and SRAs are as follows:-

BASIC ALLOWANCE

Basic Allowance All Councillors (except the Mayor)	£10,262.90
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SPECIAL RESPONSIBILITY ALLOWANCES

Political Roles – Majority Group

Majority Group Chair	£2,294.39
Majority Group Secretary	£2,294.39
Majority Group Whip	£5,000.00

Political Roles – Opposition Groups

First Opposition Group Leader	£12,214.94
First Opposition Group Whip	£2,294.39
Second Opposition Group Leader	£8,143.30

Panel Members

Adoption Panel Member	£2,294.39
Fostering Panel Member	£2,294.39

Committee Chairs

Chair of Audit Committee	£7,407.45
Chair of Corporate Committee	£7,407.45
Chair of Licensing Committee	£16,450.00
Chair of Pensions Board	£2,294.39
Chair of Pensions Committee	£14,814.91
Chair of Planning Sub Committee	£16,450.00
Chair of Standards Committee	£2,294.39

Scrutiny Commission Chairs

Scrutiny Commission Chairs	£13,418.86
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Speaker and Deputy Speaker

Speaker (see 4.3 below)	£18,063.85
Deputy Speaker (see 4.3 below)	£5,000.00

Cabinet Members

Cabinet Members	£33,604.38
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Deputy Mayor

Deputy Mayor	£39,867.19
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Directly Elected Mayor

Directly Elected Mayor (see 4.4 below)	£78,290.31
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- 4.2 Only one SRA may be claimed. It will be for individual Members who would otherwise qualify for more than one SRA to inform the Chief Executive which allowance they wish to claim, otherwise the highest allowance will be paid.
- 4.3 The roles of Speaker and Deputy Speaker do not attract a SRA but are covered by a separate legal regime. Schedule 2 of the Local Government Act 1972 provides that a London Borough may pay the Chair of the Council (known as the Speaker in the London Borough of Hackney) such allowances and Full Council thinks reasonable for the purpose of enabling the Chair to meet the expense of the office. There is a similar power in respect of the Vice Chair (Deputy Speaker).
- 4.4 The role of directly elected Mayor does not attract a Basic Allowance or SRA. The Mayor receives one single allowance which covers all of the responsibilities included in the role.

5. MEMBER ALLOWANCE UPLIFT

- 5.1 The Basic and Special Responsibility Allowances are normally uplifted each year in line with the Local Government Pay Settlement Pay Rate when this becomes known, and will be reviewed and approved by Full Council prior to the start of each financial year.

6. PENSIONS

- 6.1 In accordance with legislation, since the start of the 2014-18 electoral term, Members of the Council are no longer entitled to participate in the Local Government Pension Scheme.

7. **MATERNITY, PATERNITY AND SICKNESS PAY**

7.1 All Members shall continue to receive their Basic Allowance in full in the case of maternity, paternity and sickness leave.

7.2 Members entitled to a Special Responsibility Allowance shall continue to receive their allowance in the case of maternity, paternity and sickness leave in the same way that the Council's employees enjoy such benefits. A replacement to cover the period of absence shall be appointed by Full Council, and the replacement will be entitled to claim an SRA. Where the SRA in question relates to the Cabinet, the appointment will be made by the Mayor.

8. **DEPENDENT CARERS' ALLOWANCE**

8.1 The Council will make reasonable payments for the reimbursement of the care of dependent relatives living with the Elected Member. Full details of the Dependent Carers' Allowance Scheme are attached at Appendix A.

9. **TRAVEL AND SUBSISTENCE ALLOWANCE**

9.1 The Council will provide an allowance to Members for any travel or subsistence costs incurred as a result of attending a Council Approved Duty outside of the Borough. Independent Members, Co-opted Members and the Independent Person can claim for any travel or subsistence costs associated with their Council duty. Full details of the Travel and Subsistence Allowance are attached at Appendix B.

10. **APPROVED COUNCIL DUTIES**

10.1 The schedule of approved Council duties can be found at Appendix C of this Scheme. Members of the Council may claim a Travel and Subsistence Allowance and/or Carers' Allowances when attending these duties.

11. **SALARY SACRIFICE SCHEMES**

11.1 Members are entitled to join the Council's employee Cycle Scheme whereby they can choose a bicycle and equipment from an approved supplier (up to £1,000 in value) and the Council purchases it and loans it to the Member. The Member will then repay the loan from their Basic Allowance in return for the loan of the VAT free bicycle across an agreed period. At the end of the loan period the Council may sell the bicycle to the Member at a fair market value.

11.2 Members are entitled to join the Council's employee Home Technology and Smartphone Scheme which runs periodically to enable the

purchase of information and communications technology equipment up to the value of £1,500 via salary sacrifice arrangements

- 11.3 Members are entitled to access the Council's employee Childcare Vouchers Scheme via salary sacrifice arrangements.

12. **PART PAYMENTS**

- 12.1 In the case of Basic Allowances, Special Responsibility Allowances, Travel and Subsistence Allowance, or Dependent Carers' Allowances, payment will only be made for the period during which a person performs the duties for which these allowances are payable. Where a Member, Independent Member, Co-opted Member or Independent Person resigns or ceases to be a Member, the part of the allowance payable for the period for which they cease to be a Member, may be withheld by the Council.

13. **REPAYMENTS**

- 13.1 Where payment of any allowance has already been made in respect of any period during which the Member, Independent Member, Co-opted or Independent Person concerned ceases to be a Member, or is in any other way not entitled to receive the allowance in respect of that period, the Member, shall repay to the Council on demand such part of the allowance as relates to any such period.

14. **OPTING TO FORGO AN ALLOWANCE**

- 14.1 Basic Allowance and SRAs will be paid automatically unless notice is received in writing from the Member concerned forgoing the entitlement in whole or in part. All such notices should be sent to the Chief Executive.

15. **CLAIMS AND PAYMENT**

- 15.1 Payments in relation to Basic Allowances, SRAs, Independent Member, Co-opted Member and Independent Person allowances shall be paid in monthly instalments in accordance with this Scheme.
- 15.2 Basic, SRA, Independent Member, Co-opted Member and Independent Person allowance payments are made net of income tax and national insurance through the PAYE system used for salaried employees. Bank details are therefore required for each Member. If a Member changes their bank details, the revised details should be provided to Member Services.
- 15.3 Claims for Travel and Subsistence allowances, and Dependent Carers' allowance should be submitted no later than 3 months from the date that expenses are incurred. Claims must be made on the agreed claim form available from Member Services.

15.4 Claims will be checked on receipt by Governance and Business Intelligence Services. Claims received before the 20th day of the month will be paid on or before the 15th day of the following month.

16. **ALLOWANCES FOR INDEPENDENT MEMBERS AND CO-OPTED MEMBERS**

16.1 The standard rate for Independent Members and Co-opted Members allowances is £111.88 per meeting. This is translated into an annual allowance by multiplying this by the anticipated number of meetings. This amount is payable to Co-opted Members on the Children and Young People Scrutiny Commission, Pensions Board, Pensions Committee and Standards Committee.

17. **THE INDEPENDENT PERSON**

17.1 The Council's Independent Person for ethical governance matters shall be entitled to an allowance of £446.92 per annum.

18. **CHAIR AND MEMBERS OF THE DESIGN REVIEW PANEL**

18.1 The Chair of the Design Review Panel shall be entitled to an allowance of £450.00 per meeting.

18.2 Members of the Design Review Panel shall be entitled to an allowance of £50.00 per hour, capped at £200.00 per meeting.

19. **PUBLICATION**

19.1 The Council is required to publish details of the Members' Allowances Scheme and the total amount received by each Member. The records must also be available for inspection by any local government elector for the authority, or by any local government elector of any principal council in whose area the authority operates.

20. **REVIEW OF THE SCHEME**

20.1 The Council has also introduced specific arrangements for its Scheme to be independently reviewed on an annual basis with reference to London Councils Independent Remuneration Panel.

20.2 Minor revisions are the responsibility of the Chief Executive..

21. **QUERIES**

21.1 Any specific queries regarding the entitlement to the Scheme should, be addressed to the Head of Governance and Business Intelligence Service (020 83563418). Queries regarding the processing of claims

and payments should be addressed to The Head of Governance and Business Intelligence Services (020 8356 3418).

DEPENDENT CARERS' ALLOWANCE

1. LEGALITY

- 1.1 The Scheme is established by the Council under the Local Authorities (Members Allowances) (England) Regulations 2003. The Dependent Carers' Allowance is payable in respect of the approved duties set out in Appendix C. The Scheme requires Members claiming the allowance to demonstrate and certify that carer expenses are actually and necessarily incurred in the conduct of their official duties.

2. ENTITLEMENT

- 2.1 The Scheme provides for payments to be made to Members in respect of care for "dependent relatives" living with the Member. For the purposes of the scheme, "dependent relatives" are defined as:

- I. children aged 15 or under;
- II. relatives requiring full time care as a result of disability or infirmity.

- 2.2 Allowances are payable for care provided by carers registered by a Member with the Authority. Under no circumstances will the allowance be payable to an immediate relative of the Member.

- 2.3 For meetings or duties within the Council's boundaries, the allowance will be paid for the duration of the meeting or approved duty plus an allowance for up to one hour's travelling time before and after the meeting. For duties outside the Council's boundaries, the allowance will be paid for the duration of the duty plus the actual travelling time to and from the venue. In all instances, total time claimed should be rounded to the nearest half-hour.

3. RATES OF ALLOWANCE

- 3.1 The Dependent Carers' Allowance is set at the same level as the London Living Wage and is paid at this rate irrespective of the number of dependants.

- 3.2 Where a dependent relative requires specialist professional care, the full cost of care will be allowed, with the prior written approval of the Chief Executive.

4. CLAIMS PROCEDURES

- 4.1 Members wishing to apply for Dependent Carers' Allowance must submit an application form to the Chief Executive, declaring that:

- (i) claims made shall only be made in respect of a named dependent relative (or relatives) as defined in the Scheme;

- (ii) claims shall only be made in respect of the entitlements set out in paragraph 2 above;
- (iii) receipts shall be provided in support of all claims; and
- (iv) where a specialist professional carer is to be engaged, that this is a necessary expense for which full reimbursement will be claimed.

4.2 Signed applications for registration of a carer are to be submitted by Members for approval by the Chief Executive.. Approved applications will be retained by Governance and Business Intelligence Service.

4.3 Members are required to notify Governance and Business Intelligence Service in the event of their entitlement to Dependent Carers' Allowance ending.

4.4 All claims will be processed through the Council's payroll system.

5. **AUDIT**

5.1 Internal Audit will review the systems for payment of Members' Allowances on a routine basis and include sample testing of Members' Allowances transactions in annual probity programmes.

TRAVEL AND SUBSISTENCE ALLOWANCE

1. PUBLIC TRANSPORT

- 1.1 Elected Members may claim expenses for journeys associated with an approved duty (see Appendix C) outside of the Borough. The Council will not provide an allowance for any travel within the Borough.
- 1.2 Independent Members and Co-opted Members of the Council and the Independent Person may claim for travel both inside and outside the Borough for journeys associated with an approved duty.
- 1.3 The rate must not exceed the ordinary standard class fare or any available saver fare.
- 1.4 Booking arrangements for travel outside of London must be made by Governance and Business Intelligence Service to seek the most cost-effective deal within current parameters.
- 1.5 A receipt must be produced for any claim.
- 1.6 For travel within London, Members may claim for travel on an Oyster Card. To claim for travel paid for on an Oyster Card, Members must provide Member Services with a printed receipt of the journey travelled, which can be obtained from most TfL stations.

2. PRIVATE VEHICLE

- 2.1 Elected Members, Independent Members, Co-opted Members and the Independent Person may claim expenses for journeys by private vehicle associated with an approved duty outside of the Borough. The Council will not provide an allowance for any travel within the Borough.

- 2.2 An allowance of 24p per mile can be claimed for travel by motorcycle.

An allowance of 46.9p per mile can be claimed for travel by motor vehicle (451-999cc engine) up to the first 8,500 miles annually. An allowance of 52.2p per mile can be claimed for travel by motor vehicle (1000cc engine) up to the first 8,500 miles annually.

- 2.3 Members, if using a private motor vehicle, should note that the Council does not provide any insurance cover. Members should have Business Use cover as part of their policy.

3. TAXI

- 3.1 Members can claim an allowance for the amount of a taxi fare, and any reasonable gratuity, to enable them to attend an approved duty if the following exceptional circumstances and criteria apply:

- in cases of a genuine emergency;
- when no public transport is reasonably available to travel to the approved duty;
- for safety reasons;
- or if there is insufficient time to travel from one approved duty to another by public transport.

3.2 The cost of travel by taxi must have been incurred wholly and exclusively for a Member's attendance at an approved Council duty. Taxi fares can only be claimed by Members once approved by the Chief Executive..

3.3 A receipt must be produced for any claim.

4. **HIRED VEHICLE**

4.1 Other than for a taxi, Members will only be able to claim an allowance per mile as per the rates detailed in paragraph 2 above. As such, Members will be reimbursed as if they had owned the vehicle, and will not be reimbursed for the cost of hiring the vehicle.

4.2 A receipt must be produced for any claim by the Member who hired the vehicle.

5. **AEROPLANE**

5.1 Subject to prior approval by the Chief Executive, the cost of travel at the ordinary fare or any available cheap fare by regular air service or where no such service is available or in case of urgency the actual fare paid by the Member where the saving in time against other available means of transport is so substantial as to justify payment of the fare by that means.

5.2 A receipt must be produced for any claim.

6. **BICYCLE**

6.1 Members may claim an allowance in respect of travel by bicycle or by any other non motorised form of transport undertaken, of 20p per mile, in connection with or relating to an approved Council duty outside of the Borough.

6.2 Independent Members, Co-opted Members and the Independent Person may claim a cycling allowance for journeys inside and outside of the Borough.

7. **SUBSISTENCE**

- 7.1 The payment of subsistence allowance will only be payable to Members for approved Council duties and conferences subject to the approval of the Chief Executive.
- 7.2 When more than 4 hours away from normal place of residence, the repayment of subsistence allowances will be made to cover the actual cost incurred up to the following rates –
- (i) Breakfast - £5.50
 - (ii) Lunch - £7.50
 - (iii) Evening Meal - £10.50
 - (iv) Out of pocket expenses (per night) - £4.50
- 7.3 Members are also entitled to overnight accommodation, if required, when attending an approved duty outside of London, subject to the approval of the Chief Executive. Governance and Business Intelligence Service shall be responsible for making any bookings and will pay for the accommodation directly.
- 7.4 Receipts must be produced for any claim in order to be valid.

APPROVED COUNCIL DUTIES

For the purposes of the payment of Travel, Subsistence and Carers' Allowances, Approved Council duties are defined as the following official meetings set out below. For information, some outside bodies may pay an allowance to Members for their role and work on that specific outside body.

1. Appointments Committee or Sub Committees
2. Audit Committee
3. Cabinet or Cabinet Sub Committees
4. Council
5. Council Joint Committee
6. Corporate Committee or Sub Committees
7. Health and Wellbeing Board
8. Joint Committee of the Six Growth Boroughs
9. Licensing Committee or Sub Committees
10. Overview and Scrutiny Commissions
11. Pensions Board
12. Pensions Committee
13. Standards Committee or Sub Committees
14. Ward Forums
15. Education related meetings such as:
 - the Schools Admissions Forum
 - School Governing Bodies
 - the Standing Advisory Council for Religious Education (SACRE)
16. Independent Statutory Panels
 - Adoption Panel
 - Fostering Panel
17. A meeting of outside bodies:
 - Abney Park Cemetery Trust
 - Agudas Israel Housing Association
 - Bangla Housing Association
 - Chats Palace Arts Centre
 - CREATE London Ltd
 - Dr Spurstowe and Bishop Wood's Almhouse Charity
 - East London NHS Foundation Trust
 - Finsbury Park Trust
 - Greater London Enterprise
 - Groundwork Local Authority Strategic Input Board
 - Hackney Citizens Advice Bureaux (CAB)
 - Hackney Community Law Centre
 - Hackney Empire Ltd Board
 - (Check for updated) Hackney Parochial Charity
 - Hackney University Technical College
 - Homerton NHS Foundation Trust
 - Hornsey Parochial Charity
 - Industrial Dwellings Society
 - Lee Valley Regional Park Authority

- LGA General Assembly
- LGiU Management Committee
- LLDC Planning Decision Making Committee
- London Councils Executive
- London Councils Grants Committee
- London Councils Greater London Employment Forum
- London Councils Leaders' Committee
- London Councils Transport and Environment Committee
- LHC
- London Road Safety Council
- London Youth Games
- North London Waste Authority
- Reserve Forces and Cadets Association
- Shoreditch Town Hall Trust
- Shoreditch Trust
- South Hackney Parochial Charity
- Sun Babies Trust
- West Hackney Parochial Charity

18. Attendance at Conference meetings:

- London Councils
- Local Government Association

19. Attendance at any meeting which is an induction training session, seminar, presentation, or briefing arranged by Chief Officers of the Council for all members of a Committee, Sub Committee or Panel to discuss matters relevant to the discharge of the Council's functions and to which Members of more than one party Group have been invited.

20. Attendance at visits and inspection of sites and premises arranged by officers (e.g. opening of new facilities).

21. Attendance by Members who have the relevant special responsibility on matters concerning the discharge of the Council's functions.

22. Attendance before parliamentary Committees, official bodies and inquiries to give evidence or make representations on the Council's behalf.