

Local Government Association

Scheme of Members' Allowances

September 2010
[updated September 2013]

Introduction

1. The Constitution of the Local Government Association allows the Association to provide a scheme of payments to councillors appointed to Local Government Association structures, in recognition of duties carried out on behalf of the Association.
2. In June 1998, the LGA appointed an Independent Panel to establish a framework on which a scheme could be based. The LGA formally adopted the scheme, with the full support of all political parties represented on the Association. The scheme was independently reviewed in 2004, 2009 and 2012.

Key features of the scheme

3. The scheme covers the remuneration and expenses paid to councillors in any LGA role to which they are appointed by the LGA. This includes:-
 - ¹LGA Office Holders
 - LGA Executive
 - Boards, Panels, Fire Services Management Committee, Rural and Urban Commission office-holders, Audit Committee
 - Company Boards: Improvement & Development Agency (IDeA), Leadership Centre for Local Government and Local Government International Bureau (LGIB).
 - National and Regional Lead Peers
4. Councillors carrying out the roles listed in **Appendix 1** to the Scheme are paid an allowance that reflects the expected time commitment, and the level of responsibility involved, in accordance with the agreed role description.
5. Allowances are index-linked to the principal local government pay settlement, and are reviewed periodically to reflect any change in direction or structure of the LGA. The most recent rates of remuneration agreed by the LGA are set out in **Appendix 2**
6. The LGA does not pay Travel and Subsistence for attendance at its own meetings (Boards, Panels, Commissions, Committees), with the exception of the Office Holders of the Association and the Chairs of the Boards. The LGA will pay travel and subsistence for the Chairs, Vice-Chairs and Deputy-Chairs of the Company Boards attending Company Board meetings. The LGA will also pay the travel costs for regional and special interest group representatives attending meetings of the LGA Executive. These members should claim their expenses directly from the LGA, on the appropriate forms **attached** to this Scheme.

¹ The LGA chairman, vice and deputy chairmen, who together make up the LGA Leadership Board

7. The LGA does not pay Travel and Subsistence for General Assembly, conferences, seminars or other events where members are representing their local authorities.

Responsibility Allowances

8. An annual Responsibility Allowance is payable, on a monthly basis, to the LGA office holders, to the office holders and members of all Boards, Panels and the Fire Service Management Committee, to the office holders of the Rural and Urban Commissions, to the office holders and members of the Boards of Improvement & Development Agency for Local Government (IDeA) and Leadership Centre for Local Government and to the national and regional lead member peers.
9. Councillors appointed to a role for which a Responsibility Allowance is paid, are expected to fulfil the role in line with the role description. This includes regular attendance at meetings of the board/panel/commission/committee, either in person or via a telephone/video link.
10. Allowances to members sitting on Member Task Groups are at the discretion of the political groups, and may be paid, within agreed guidelines, from the budget allocated to and administered by the Group Office.
11. Only one Responsibility Allowance is payable to any member across LGA. This excludes:-
 - allowances paid by the political groups for political appointments.
 - reimbursement made by external bodies
 - reimbursement for employer side bodies (see **Appendix 3**)
 - additional paid peer work carried out by the LGA Vice-chairmen, up to a maximum of 10 days per year.
12. The LGA will deduct any tax and National Insurance contributions which are due and will account for these to the Inland Revenue.
13. Latest scales of payment, which came into effect from 1 September 2010 are set out in **Appendix 2**.

Withdrawal of responsibility allowances

14. Responsibility Allowances may be withdrawn permanently or temporarily, if
 - A councillor, without good reason or the express consent of the chairman, misses two successive meetings or takes no part in LGA activities for a period of 6 months, whichever comes first.
 - A councillor is suspended or partially suspended by his/her home council

- A councillor resigns from membership of the authority which he/she represents on the LGA.
 - A councillor's home authority withdraws from membership.
15. Once a Responsibility Allowance has been withdrawn, it can be permanently or temporarily reallocated to a substitute member appointed to the role by the appropriate Political Group Office.

LGA Chairman and Vice-Chairs

16. Given the demands of the Chairman of the Association's role, he/she may opt to increase his/her days from the minimum required 3.5 days per week to 4.5 days per week. In this instance, the basic Chairman's Responsibility Allowance will be increased pro-rata. The Independent Panel will be convened on an annual basis, to scrutinise the Chairman's ability to fulfil the higher commitment.
17. The Chairman is expected to undertake some peer work as part of his/her role but is not permitted to receive any additional remuneration for this work.
18. The Vice-Chairs of the Association may undertake up to 10 days remunerated peer work in addition to their role as Vice-Chairs.

National and Regional Lead Peers

19. The Responsibility Allowances payable to the National and Regional Lead Peers are calculated annually according to the number of days they are required to work over the year and based on a standard day rate of £303. The number of days allocated to each Lead Peer may vary between Groups and from year to year. Please note that Peers' allowances can only be paid to peers as individuals and cannot be paid via a company invoice.

LGA Members' Day Rate

20. The LGA Members' Day Rate is payable to Members of the Audit Committee to a maximum of three days per annum.
21. The Day Rate is also payable to Member Peers commissioned to undertake specific pieces of work on behalf of the LGA.

Travel, subsistence and other expenses

General

22. Reasonable travel and subsistence costs will be paid by the LGA for:
- Approved duties as set out in paragraph 24.

- The eleven principal officeholders (Chairman, Vice-Chairs and Deputy-Chairs) of the Association, the Chairs of Boards and the Chairs and Vice/Deputy-Chairs of Company Boards in relation to the discharge of their duties
 - Regional and special interest group representatives on the LGA Executive.
 - LGA Member Peers in relation to work commissioned by the LGA, or attendance at training or development sessions required by the LGA.
23. Travel and subsistence costs for all other meetings should be met by the member's home authority. In the case of dual-hatted members, costs should be met by the authority that they are representing on the LGA.

Approved Duties for payment of Travel and Subsistence Costs

24. Approved duties for payment of travel & subsistence under the LGA scheme are:
- Attendance as the Association's appointed representative at meetings with Ministers, Government Departments or with any other partner or stakeholder.
 - Attendance as the Association's appointed representative at meetings of any outside body - public, voluntary or charitable – on which the Association is formally represented.
 - Attendance as the Association's appointed representative at receptions, visits, conferences, seminars or other functions.

Journeys by rail, coach or bus

25. The LGA will reimburse rail fares on the basis of the standard fare. In exceptional circumstances, the LGA may reimburse the first class fare. Requests for first class travel should be agreed by the Chief Executive of the LGA.

Journeys by car

26. Wherever possible, councillors are expected to travel by public transport. Where it is necessary for a councillor to use his or her own vehicle when on an approved duty on behalf of the LGA, mileage will be paid at the nationally agreed mileage rate for local authorities.

Journeys by air

27. Where it is necessary for a councillor to travel by air, either within the UK or overseas, reimbursement will be on the basis of an economy class air fare.
28. In exceptional circumstances, the LGA will reimburse the cost of a premium economy or business class fare. Councillors must provide a clear explanation, including any medical notes, of why travel by business class is necessary, which should be agreed

by the LGA Chief Executive. The LGA will not reimburse the cost of first class air travel.

Overnight accommodation

29. The cost of overnight accommodation may exceptionally be reimbursed when
 - A member attends a residential event as the LGA's appointed representative.
 - Attendance at a non-residential meeting by a member as the LGA's appointed representative would require him/her to leave home before 7.00am or arrive back home after 12.00 midnight.
30. The LGA will where possible negotiate reduced accommodation rates and will advise councillors of LGA approved hotels. Where councillors wish to stay at alternative and more expensive hotels, they should pay the difference in cost themselves.
31. The LGA does not contribute to the cost of second homes for councillors.

Carers' Allowance

32. A carers' allowance may be paid to those members with caring responsibilities who receive responsibility allowances for approved duties set out in **Appendix 1**, and/or represent the LGA on outside bodies.
33. The carers' allowance will be paid towards the cost of care for close relatives for whom **the member** is the main carer. This applies to children, or to elderly or disabled relatives. The allowance will not be payable to a member of the claimant's own household.
34. The maximum period of the entitlement will be the duration of the approved duty and reasonable travelling time.
35. The rate of reimbursement for carers' allowance is equivalent to the minimum wage – currently £6.31 per hour for employees over 21.
36. LGA Office Holders and Chairs of Boards should claim their expenses direct from the LGA on a monthly basis. Alternatively, members can complete an LGA members' expenses claim form and submit it to the Member Services Team in Local Government House for reimbursement direct.

Reimbursement of Expenses

37. All other Councillors should initially claim travel and subsistence costs and the carers' allowance, as appropriate, from their authority. Authorities should then seek reimbursement from the LGA on a quarterly basis.
38. Receipts must be provided for **all** travel and subsistence claims, (including claims for carers' allowance). **No claim will be paid unless a valid receipt is provided.**

39. Claims from authorities (on the attached form) should be submitted promptly **identifying clearly and fully** the meeting to which the claim refers. (Reference to a meeting as “LGA, London” or “LGIB” for example will not be sufficient and will delay reimbursement of the claim).
40. **All outstanding claims for any financial year must be submitted promptly at the end of the financial year, in order that the LGA can finalise its accounts for audit purposes.** Claims submitted after 30 June of the financial year following that in which the claim was generated may not be paid.

Publication of Expenses

41. In the interests of openness and transparency the LGA publishes details of all allowances and expenses paid to LGA members on its public website. Expenses paid to LGA members are published twice yearly. Details can be found at www.local.gov.uk/governance/. All Members who sit on the LGA’s governance structures are provided with a copy of the LGA’s Members’ Allowances Scheme annually.

Review of the LGA Scheme of Members’ Allowances

42. Members’ allowances, carers’ allowances and remuneration of LGA Peers are reviewed annually and index linked to the principal local government pay settlement. Additionally, an independent review of allowances may be commissioned by the LGA Executive to reflect changes in policy, direction or structure within the LGA.

LGA Members' Allowances Scheme

Bodies Qualifying for Payment

- LGA Office Holders
- LGA Executive
- Children and Young People Board
- Community Wellbeing Board
- Culture, Tourism & Sport Board
- Economy & Transport Board
- Environment & Housing Board
- European & International Board
- Improvement & Innovation Board
- Safer & Stronger Communities Board
- Workforce Board
- Finance Panel
- Audit Committee
- Fire Service Management Committee
- Rural Commission Office Holders
- Urban Commission Office Holders
- Members of Task Groups (approved by Boards)
- LGIB Board
- Improvement & Development Agency for Local Government (IDeA)
- Leadership Centre for Local Government (chair only)
- Lead and Regional Peers

Local Partnerships

Local Partnerships has a separate remuneration Committee.

Responsibility Allowances (Updated July 2013)

Appendix 2

Post	Allowance	Post	Allowance
LGA Office Holders, LGA Executive		Company Boards	
Chairman of the LGA	*£70,748		
Vice-Chair (leader of 2 nd largest group)	£38,257	IDeA (as Improvement & Innovation Board)	
Vice- Chair (leader of largest group)	£33,017		
Vice-Chair (leader of 3 rd largest group)	£33,017		
Vice-Chair (leader of 4 th largest group)	£27,775		
Deputy-Chairs	£ 7,856	LGIB (as European & International Board)	
Member	£2,619		
Boards and Finance Panel			
Chair	£15,712	Members' Day Rate	£303 per day
Vice/Deputy-Chairs	£7,856	Lead and Regional Peers	Variable
Member	£2,619	Audit Committee	Max £909
		Member Peers	Variable
Fire Services Management Committee			
Chair	£10,469		
Other office-holders	£5,233		
Member	£1,107		
Rural and Urban Commissions			
Chair	£10,469		
Vice/Deputy-Chairs	£5,233		

*based on 4.5 days per week

Appendix 3 – Employer Side Bodies

Role profiles

Role profiles for each of the employer side bodies are available from the LGA's Workforce team.

Remuneration

Member remuneration for employer side duties will be determined according to the following provisions:

- ◆ Where members are paid an annual allowance, this reflects the expected time commitment, and the level of responsibility involved, as set out in the respective role profile.
- ◆ The lump sum is paid by way of twelve equal monthly payments.
- ◆ Councillors appointed to a role for which an annual allowance is paid, are expected to fulfil the role in line with the role profile including regular attendance at meetings either in person or via a telephone/video link.
- ◆ EO will deduct any tax and National Insurance contributions which are due and will account for these to the Inland Revenue.
- ◆ Allowances are index-linked to the local government services pay settlement.

National Employers' Organisation for School Teachers Fire and Rescue Services National Joint Council Employers* Local Government Services National Joint Council Employers

Allowances (LGA and WLGA members only)

Chairmen and negotiating team **£5,233**.

Core members nominated by the LGA to all three bodies **£5,233** in total

Other members **£2,619**.

(members may have multiple appointments but no member will receive more than **£5,233** in allowances in this category)

Travel and subsistence (all members)

Travel and subsistence for National Joint Council, employer and similar regular meetings will be the responsibility of members' own authorities. Where a member is representing the Employers (including at negotiations taking place when the Employers are not meeting) they should claim from the LGA on the appropriate form.

(*COSLA [Single Allowance distributed amongst all COSLA members in proportions agreed by them]/FANI as from 1/4/05)

COSLA: A separate negotiated arrangement exists for COSLA membership as follows: the annual sum available to COSLA is comprised of one annual salary for a member of the negotiating team [£5,233**] and 2 'Ordinary Members' [**£2,619** x 2]. This amount to be distributed amongst the COSLA membership [4 members] in proportions as determined by COSLA.*

Local Government Pensions Committee

Allowances (all members)

Chairman **£2,619**

Other Members **£1,310**

Travel and subsistence (all members)

Travel and subsistence for committee meetings is the responsibility of members' own authorities, Where a member is representing the committee they should claim from EO on the appropriate form.

Europe Employer bodies:

Partnership of Public Employers (PPE)

CEMR – Employers' Platform

European Federation of Education Employers (EFEE)

Travel and subsistence (all LGA/WLGA members)

Travel and subsistence for authorised meetings will be paid by LG Employers.

Travel, subsistence and other expenses

Travel, subsistence and other expenses will be paid in accordance with the LGA scheme as set out in paragraphs 22 – 36 above.