Local Government Association

Scheme of Members’ Allowances

September 2010
[updated April 2017]
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:
   - LGA Office Holders¹
   - LGA Executive.
   - Policy Boards, Fire Services Management Committee.
   - Audit Committee, Commercial Advisory Board, and National & Regional Lead Peers.
   - Company Policy Boards: Improvement & Development Agency (IDeA), LGMB and LGA (Properties) LTD.

4. Councillors carrying out the roles on the bodies listed in Appendix 1 to the Scheme are paid an allowance or day rate 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 with the exception of the roles set out in Table C, Appendix 2. These are: Office Holders of the Association; Chairs of Policy Boards; and Company Board Members 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 which can be downloaded from the LGA website: http://www.local.gov.uk/members-allowances-scheme.

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

¹ The LGA Chairman, Vice and Deputy Chairmen, who together make up the LGA Leadership Board.
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 Policy Boards, the Fire Service Management Committee 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 Policy Boards/Commissions/Committees, 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); and
   - 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 January 2015 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 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-Chairmen

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 Chair of the Independent Panel will be consulted on behalf of the Panel 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-Chairmen of the Association may undertake up to 10 days remunerated peer work in addition to their role as Vice-Chairmen.

Review of Responsibility Allowances

19. Members’ Responsibility Allowances is reviewed annually and index linked to the principal local government pay settlement. Carers’ Allowance is linked to the National Minimum Wage. Additionally, an independent review of allowances may be commissioned by the Leadership Board to reflect changes in policy, direction or structure within the LGA.

Members’ Day Rate

20. The LGA Members’ Day Rate is payable to Members of Commercial Advisory Board and the Audit Committee for attendance at meetings.

21. Remuneration of National and Regional Lead Peers is calculated annually according to the number of days they are required to work over the year and based on the LGA Members’ Day Rate of £300. The number of days allocated to each Lead Peer may vary between Groups from year to year. Peers’ allowances can only be paid to peers as individuals and cannot be paid via a company invoice.

22. The Day rate is also payable to Member Peers commissioned to undertake specific pieces of work on behalf of the LGA up to 40 days per annum.

Travel, subsistence and other expenses

General

23. **Table C, Appendix 2** sets out those roles which are eligible to claim reasonable travel and/or subsistence. Reasonable travel and subsistence costs will be paid by the LGA for:

- Approved duties as set out in paragraph 25.
- The Principal Office holders (Chairman, Vice and Deputy Chairmen) of the Association, the Chairs of Policy Boards and Company Board Members in relation to the discharge of their duties.
Regional and special interest group representatives on the LGA Executive (travel costs only).

LGA Member Peers in relation to work commissioned by the LGA, or attendance at training or development sessions required by the LGA.

24. 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

25. 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

26. The LGA will reimburse rail fares on the basis of the standard fare, with the expectation that reasonable effort be made to book as far in advance as possible to secure the best rate available. 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

27. 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 HMRC approved rate.

Journeys by air

28. 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 and with the expectation that reasonable effort be made to book as far in advance as possible to secure the best rate available.

29. 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
30. 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 11pm.

31. When booking accommodation, either via the LGA’s Political Group Offices or directly, there is an expectation that reasonable effort be made to book as far in advance as possible to secure the best rate available.

32. The LGA does not contribute to the cost of second homes for councillors.

Carers’ Allowance

33. 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.

34. 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.

35. The maximum period of the entitlement will be the duration of the approved duty and reasonable travelling time.

36. The rate of reimbursement for carers’ allowance is equivalent to the minimum wage – currently £7.50 per hour for employees over 21.

Reimbursement of Expenses

37. All Councillors eligible to claim expenses can either claim direct from the LGA on a monthly basis, or via their local 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. To claim directly, Members must complete an LGA members’ expenses claim form, which can be downloaded from the LGA website and submit it to memberservices@local.gov.uk.

40. Claims should be submitted promptly identifying clearly and fully the meeting to which the claim refers. (Reference to a meeting as “LGA, London” for example will not be sufficient and will delay reimbursement of the claim).
41. 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

42. 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 http://www.local.gov.uk/members-allowances-scheme. All Members who sit on the LGA’s governance structures are emailed a copy of the LGA’s Members’ Allowances Scheme annually.
Appendix 1: Bodies Qualifying for Payment

**Responsibility Allowance**
- LGA Office Holders
- LGA Executive
- Children and Young People Policy Board
- City Regions Policy Board
- Community Wellbeing Board
- Culture, Tourism & Sport Policy Board
- Environment, Economy, Housing & Transport Policy Board
- Improvement & Innovation Policy Board
- People & Places Policy Board
- Resources Board
- Safer & Stronger Communities Policy Board
- Fire Service Management Committee
- Members of Task Groups (approved by Leadership or Policy Boards)

**Day Rate**
- National and Regional Lead Peers
- Audit Committee
- Commercial Advisory Board

**Local Partnerships**

Local Partnerships has a separate remuneration Committee.

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2 The LGA Chairman, Vice and Deputy Chairmen, who together make up the LGA Leadership Board.
## Appendix 2: Responsibility Allowances, Day Rates and Travel and Subsistence

### Table A: Roles Qualifying for a Responsibility Allowance

<table>
<thead>
<tr>
<th>Post</th>
<th>Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LGA Office Holders, LGA Executive</strong></td>
<td></td>
</tr>
<tr>
<td>Chairman of the LGA</td>
<td>£73,757</td>
</tr>
<tr>
<td>Vice-Chair (leader of 2\textsuperscript{nd} largest group)</td>
<td>£39,885</td>
</tr>
<tr>
<td>Vice-Chair (leader of largest group)</td>
<td>£34,421</td>
</tr>
<tr>
<td>Vice-Chair (leader of 3\textsuperscript{rd} largest group)</td>
<td>£34,421</td>
</tr>
<tr>
<td>Vice-Chair (leader of 4\textsuperscript{th} largest group)</td>
<td>£28,957</td>
</tr>
<tr>
<td>Deputy-Chairs</td>
<td>£8,190</td>
</tr>
<tr>
<td>Member</td>
<td>£2,731</td>
</tr>
<tr>
<td><strong>Policy Boards</strong></td>
<td></td>
</tr>
<tr>
<td>Chair</td>
<td>£16,381</td>
</tr>
<tr>
<td>Vice/Deputy-Chairs</td>
<td>£8,190</td>
</tr>
<tr>
<td>Member</td>
<td>£2,731</td>
</tr>
<tr>
<td><strong>Fire Services Management Committee</strong></td>
<td></td>
</tr>
<tr>
<td>Chair</td>
<td>£10,914</td>
</tr>
<tr>
<td>Other Office-holders</td>
<td>£5,455</td>
</tr>
<tr>
<td>Member</td>
<td>£1,153</td>
</tr>
</tbody>
</table>

*based on 4.5 days per week*

### Table B: Roles Qualifying for a Day Rate

<table>
<thead>
<tr>
<th>Post</th>
<th>Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Members’ Day Rate</strong></td>
<td>£300 per day</td>
</tr>
<tr>
<td>National and Regional Peers</td>
<td>Variable (Based on number of days)</td>
</tr>
<tr>
<td>Audit Committee</td>
<td>Variable (Based on number of meeting attended)</td>
</tr>
<tr>
<td>Commercial Advisory Board</td>
<td>Variable (Based on number of meeting attended)</td>
</tr>
<tr>
<td>Member Peers</td>
<td>Variable (Based on number of days)</td>
</tr>
</tbody>
</table>
Table C: Roles Qualifying for Travel and Subsistence

<table>
<thead>
<tr>
<th>Post</th>
<th>Travel</th>
<th>Subsistence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairman of the LGA</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Vice and Duty Chairmen of the Association</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Policy Board Chairs</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Company Board Members</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Member Peers</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>LGA Executive regional representatives</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>LGA Executive SIG representatives</td>
<td>x</td>
<td></td>
</tr>
</tbody>
</table>
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.
- LGA 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.

<table>
<thead>
<tr>
<th>National Employers’ Organisation for School Teachers</th>
<th>Fire and Rescue Services National Joint Council Employers*</th>
<th>Local Government Services National Joint Council Employers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allowances (LGA and WLGA members only)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chairmen and negotiating team <strong>£5,455</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Core members nominated by the LGA to all three bodies <strong>£5,455</strong> in total.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other members <strong>£2,731</strong>.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(members may have multiple appointments but no member will receive more than <strong>£5,455</strong> in allowances in this category)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th>Local Government Pensions Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allowances (all members)</td>
</tr>
<tr>
<td>Chairman <strong>£2,731</strong></td>
</tr>
<tr>
<td>Other Members <strong>£1,366</strong></td>
</tr>
</tbody>
</table>

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 LGA on the appropriate form.
Europe Employer bodies:
CEEP
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 23 – 36 above.