

# **Local Government Association**

## **Scheme of Members' Allowances**

updated November 2020

## 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, 2012 and 2018.

## 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 Holders<sup>1</sup>
  - Executive Advisory Board
  - 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; Chair of the Fire Services Management Committee; 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.

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<sup>1</sup> 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 April 2018 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 24.5 hours per week to 31.5 hours 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 £328. 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, Chair of the Fire Service Management Committee 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 living wage – currently £9.00 per hour (£10.55 for the London living wage) 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](mailto: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.

#### **Parental Leave Policy**

43. See **Appendix 4** for details of the Parental Leave Policy

## **Appendix 1: Bodies Qualifying for Payment**

### Responsibility Allowance

- LGA Office Holders <sup>2</sup>
- Executive Advisory Board
- 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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<sup>2</sup> 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

Post	Allowance
<b>LGA Office Holders, LGA Executive</b>	
Chairman of the LGA	*£78,847
Senior Vice-Chair (leader of 2 <sup>nd</sup> largest group)	£42,638
Vice-Chair (leader of largest group)	£36,796
Vice-Chair (leader of 3 <sup>rd</sup> largest group)	£36,796
Vice-Chair (leader of 4 <sup>th</sup> largest group)	£30,955
Deputy-Chairs	£8,755
Member	£2,919
<b>Policy Boards</b>	
Chair	£17,511
Vice/Deputy-Chairs	£8,755
Member	£2,919
<b>Fire Services Management Committee</b>	
Chair	£11,667
Other Office-holders	£5,831
Member	£1,233

*\*based on 4.5 days per week*

Table B: Roles Qualifying for a Day Rate

Post	Allowance
<b>Members' Day Rate</b>	<b>£328 per day</b>
National and Regional Peers	Variable (Based on number of days)
Audit Committee	Variable (Based on number of meeting attended)
Commercial Advisory Board	Variable (Based on number of meeting attended)
Member Peers	Variable (Based on number of days)

Table C: Roles Qualifying for Travel and Subsistence

<b>Post</b>	<b>Travel</b>	<b>Subsistence</b>
Chairman of the LGA	X	x
Vice and Duty Chairmen of the Association	X	x
Policy Board Chairs	X	x
Fire Services Management Committee Chair	X	x
Company Board Members	X	x
Member Peers	X	x
Executive Advisory Board regional representatives	X	
Executive Advisory Board SIG representatives	X	

## **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 for Employer Side Bodies**

Members appointed to the following bodies by the LGA or WLGA will receive a day rate of **£328**, based on the number of meetings attended:

- National Employers Organisation for School Teachers (NEOST)
- JNC for Teachers in Residential Establishments
- Soulbury Committee
- JNC for Youth and Community Workers
- NJC for Local Authority Fire and Rescue Services
- JNC for Coroners
- Local Government Services Employers NJC

Members may have multiple appointments, but can claim £328 per day for any meetings attended. If two or more meetings are held on the same day Members can only claim one £328 day rate for that day.

### Travel and Subsistence

Travel and subsistence for National Joint Council meetings, 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.

Travel, subsistence and other expenses will be paid in accordance with the LGA scheme as set out in paragraphs 23-36 above.

### **Local Government Pensions Committee**

Members appointed to the Local Government Pensions Committee will receive an annual allowance, as remuneration for this body is not funded through the LGA.

- Annual allowances reflect 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 these roles are expected to fulfil the role in line with the role profile including regular attendance at meetings either in person or via teleconference / videoconference.
- LGA will deduct any tax and National Insurance contributions which are due and will account for these to the Inland Revenue.

### LGPC Allowances

Chairman: £2,919

Other Members: £1,460

### LGPC Travel and Subsistence

Reimbursement of travel and subsistence for LGPC meetings is the responsibility of members' own authorities. Where a member is asked to attend an external meeting as a

representative of LGPC they may claim expenses incurred, in line with the LGA Scheme of Allowances. In that instance, they should claim from LGA on the appropriate form.

### **Europe Employer Bodies**

Members appointed to the following bodies by the LGA or WLGA will not receive an allowance:

- CEEP
- CEMR – Employers' Platform
- European Federation of Education Employers (EFEE)

### Europe Employer Bodies Travel and Subsistence

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

## **Appendix 4: Parental Leave Policy**

1. The LGA has agreed a Parental Leave policy for elected members on its governance structures, as part of its commitment to equalities and diversity. The following provisions are in place for all remunerated positions set out in Appendix 1 of the Scheme of Allowances:
  - Members may take up to 6 months parental leave from the due date (or date of placement for adoption leave), with the option to extend to 52 weeks and additional leave for premature birth.
  - There is a minimum of 2 weeks paternity leave.
  - Members have the option to share leave entitlement where both parents hold LGA positions.
  - Provision for adoption leave is available.
  - Payment of Special Responsibility Allowance (SRA) will be made for 6 months, with the option to extend to cover the full period of parental leave by agreement, subject to the individual continuing to hold the relevant remunerated position.
  - There is a provision for a temporary SRA to be paid pro-rata for any member temporarily appointed to cover parental leave period (subject to usual rules on only one SRA per member allowed).
2. Should Members wish to take parental leave of any sort detailed above please contact your political group office or the Member Services team.