

LEEDS CITY COUNCIL

Report of Panel on Members' Allowances

June 2010

Introduction.

1. The Independent Panel on Members' Allowances was appointed by the Council to make recommendations on Members' Allowances in accordance with the relevant Regulations and the Government's statutory guidance. The Panel now consists of Sir Rodney Brooke CBE DL (Chair), Dave Fortune, Matthew Knight and Carolyn Lord.
2. The Panel issued its first report in May 1999. It updated its recommendations in October 2002 following new Government guidance. The Council adopted those recommendations with modifications. In subsequent reports the Panel has made further recommendations which again have been accepted, in some cases with modifications.
3. The political composition of the Council changed as a result of the 2010 elections. The Labour Group has now formed the administration of the Council, displacing the former Conservative/Liberal Democrat coalition. As a result a number of issues have now been referred to the Panel. They are set out below. The new Administration has expressed its views on the issues, as have representatives of the Conservative and Liberal Democrat groups. The Panel has taken these views into account in framing its recommendations.
4. In the light of the present problems facing public expenditure, the Council has decided to forego any annual updating of allowances due in October 2010 and October 2011. The Panel also is acutely aware of the current financial stringency faced by the public sector and has framed its recommendations in such a way as to create no increase in the bill for members'; allowances. National guidance recommends that not more than 50% of members of a Council should receive a Special Responsibility Allowance (SRA). Fewer than 50% of Leeds members will receive an SRA under the proposals in this report.

DEPUTY/DESIGNATED DEPUTY LEADERS

5. Until May 2010, the Council had a Leader and an Alternate Leader (being the Leaders of the two coalition Groups). The two office holders rotated these two roles between them on a six monthly basis, with the Alternate Leader taking on the role of Deputy Leader. The two applicable SRAs were similarly rotated between the Members in question on a six monthly basis.
6. Under the new political structure agreed in May, the Council has now appointed two Deputy/Designated Leaders. Statutorily, the Council can only

have one Deputy Leader of Council at any one time. It has therefore been arranged that, for most practical purposes, the two office holders share responsibility for supporting the Leader of Council but that, formally, only one carries the responsibility of being Deputy Leader of Council at any one time. They will rotate this responsibility on a two monthly basis (although, should circumstances arise that the Deputy Leader had to assume the role of Leader on a permanent basis pending selection of a new Leader, then the Deputy Leader in question would carry on with this role, without rotation, until the appointment of a new Leader).

7. Given this arrangement, it is clearly sensible that the two Deputy/Designated Leaders should receive the same level of SRA payment throughout their period of office rather than have to change SRAs every two months. The Alternate Leader (under the former Administration) received an SRA of £25,050.83 Members of the Executive Board receive an SRA of £22,773.96 A simple way to equalise payment and to avoid any increase in the overall allowances is to recommend an SRA for the Deputy/Designated Leaders mid-way between these two sums. Accordingly, **we recommend that the Deputy/Designated Leaders should each receive an SRA of £23,912.40**

SCRUTINY BOARD CHAIRS

8. The Council has appointed six Scrutiny Boards (formerly there were seven). The Panel **recommends that the SRAs paid to Scrutiny Board Chairs remain at the current level, viz £20,040.42**

DEPUTY WHIPS

9. Currently all Groups with a minimum of 10% of membership of the Council are entitled to a Whip with a SRA payment and a Deputy Whip with a separate SRA payment. The Administration believes that only a relatively large group needs two Whips to assist in the running of the Council's business and suggests that the threshold of 10% be increased to 20%. The Liberal Democrat and Conservative Groups have suggested new thresholds of 15% and 18% respectively.
10. The Panel does not believe there is justification for a Deputy Whip in a political group with less than 20% of members of the Council, ie with fewer than 20 members, Accordingly the panel **recommends that groups which comprise less than 20% of members of the Council should not be entitled to an SRA for a Deputy Whip.**

Deputy Executive members

11. The Panel notes the deletion of one position of Deputy Executive Member and **recommends that there should be no change in the SRA payable to the remaining Deputy Executive members (£4,793.58).**

Opposition Group Office holders

12. The Members' Allowances Scheme provides for a SRA (of equivalent value to that payable to Deputy Executive Members, ie £4,793.58) to be payable to five Office Holders in Opposition Groups with more than 10% of membership of the Council. In the former composition of the Council only one Group qualified for these allowances. Under the new arrangement, two political groups (with 22 and 21 members respectively) meet this definition and, hence, each qualify for five such office holders in receipt of a SRA. The two Groups have asked that the present system continue, but the new Administration is opposed to what would amount to the creation of a further five SRAs.
13. The Panel agrees that the requirement for office holders does depend on the size of the Group and **recommends that five SRAs (at the current level of £4,793.58) be allocated to Group Office Holders in Groups with 40% of the members of the Council; four to Group Office Holders in Groups with 30% of the members of the Council; three to Group Office Holders in Groups with 20% of the members of the Council; and two to Group Office Holders in Groups with 10% of the members of the Council.** For the purposes of the calculation the number of members should be rounded up to the next ordinary number.

Implementation

14. The Panel **recommends that the proposals in this report be implemented with effect from the start of the 2010-11 Municipal Year.**

SMMARY OF RECOMMENDATIONS

- (a) **the Deputy/Designated Leaders should each receive an SRA of £23,912.40**
- (b) **the SRAs paid to Scrutiny Board Chairs remain at the current level, viz £20,040.42**
- (c) **groups which comprise less than 20% of members of the Council should not be entitled to an SRA for a Deputy Whip**
- (d) **there should be no change in the SRA payable to the Deputy Executive members (£4,793.58).**
- (e) **five SRAs (at the current level of £4,793.58) be allocated to Group Office Holders in Groups with 40% of the members of the Council; four to Group Office Holders in Groups with 30% of the members of the Council; three to Group Office Holders in Groups with 20% of the members of the Council; and two to Group Office Holders in Groups with 10% of the members of the Council.**
- (f) **For the purposes of clarification, all entitlements throughout the Members' Allowances Scheme which entail exceeding a percentage of membership of the Council should be interpreted as being rounded up to the next whole number of Councillors.**
- (g) **the proposals in this report be implemented with effect from the start of the 2010-11 Municipal Year.**

Rodney Brooke (Chair)
Dave Fortune
Matthew Knight
Carolyn Lord

June 2010