Committee: Policy and Resources	<b>Date:</b> 15 March 2018
Subject: Potential Remuneration of Members and Changes to Timing of Meetings – Results of Surveys	Public
Report of: Town Clerk	For Decision

#### Summary

- At its meetings on 19 October and 14 December 2017, the Policy and Resources Committee debated the potential remuneration of Members and possible changes to the timing of committee meetings. It was agreed that a questionnaire on each issue should be circulated to all Members of the Court as part of a wider consultation exercise.
- 2. The two anonymous questionnaires (attached as appendices to this report) were circulated to all Members at the end of January. Members were asked to respond by 9<sup>th</sup> February 2018. In total 98 responses were received.
- 3. In short, the this wider consultation exercise resulted as follows: -
  - Timing of Meetings: most Members, 61%, supported the status quo i.e. 11.30am 1pm or 1.45pm – 4pm
  - Potential remuneration of Members: most Members, 65% advised that were not in favour of payment.
  - Members' Financial Loss Allowance Scheme most Members, 68% feel that the Scheme is inadequate.
  - Assistance to cover the cost of an appropriate form of dress for City Corporation events – 55% welcomed assistance.
- 4. The result of the two surveys was subsequently raised at the informal, private meeting of Members on 15 February. Whilst it was acknowledged that the results favoured of no change, Members were keen for the matter to be kept as an on-going debate and asked that, as a minimum, a further comprehensive review is undertaken before the next election. It was noted that a number of comments had been submitted alongside the responses and that this might add more context to the views expressed. Members were advised that the details would be include in the outcome report to the Policy and Resources Committee and that a copy of the report would be sent to all Members for information.
- 5. A more detailed breakdown of the results is set out in the main body of this report.

#### Recommendations

- 6. Members are asked to:-
  - to note the results of the surveys;
  - agree that the timing of meetings should remain unchanged, it being noted that a committee could, if it so chooses, agree to alter the time of its meetings. However, it should also be noted that depending on the time chosen there could be wider resource implications;
  - consider the provision of assistance for Members to cover the cost of an appropriate form of dress for City Corporation events and what form this should take;
  - agree an independent review of the Members' Financial Loss Review Scheme;
  - decide whether any further action should be taken.

#### Main Report

#### Background

- 1. The Policy and Resources Committee has been looking at ways in which to enhance the diversity of the Court of Common Council since 2015. During that time, a number of suggestion have been discussed and various activities undertaken. As part of the debate, two issues the potential remuneration of Members and possible changes to the timing of committee and other meetings emerged as the areas meriting further discussion and wider consultation with all Members of the Court.
- 2. To this end, two questionnaires (attached as appendices to this report) were produced and circulated to all Members as an anonymous exercise at the end of January. Members were asked to respond by 9<sup>th</sup> February 2018. In total 98 responses were received, the results of which are set out below.

#### **Timing of Meetings**

3. Members were provided with seven options and asked to express a preference. The results of this were as follows:-

Options	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	5 <sup>th</sup>
•	Preference	Preference	Preference	Preference	Preference
A	23	5	15	5	7
8.30am - 10am					
В	1	16	10	16	8
9am - 10.30am					
С	59	7	8	2	4
11.30am - 1pm OR					
1.45pm – 4pm					
(Status Quo)					
D	4	34	7	13	7
12.45pm – 2.15pm					
E	2	10	15	4	12
3.30pm – 5pm					
F	2	11	13	9	4
5pm – 6.30pm					
G	5	5	3	6	5
6.30pm – 8pm					

- 4. A number of comments and alternative suggestions were made alongside some of the responses received, as follows: -
  - a. 'Would the 3<sup>rd</sup> choice be a working lunch?'
  - b. 'Provide an option to dial in (every now and then at least).'
  - c. 'Perhaps the most popular choice for three committee meetings and every fourth in the second preference or something like that.'
  - d. 'The status quo is the best. 'Early; is difficult with the financiers and 'late' is difficult with the lawyers!'
  - e. 'An alternative might be THREE sessions for committee meetings starting at 10am, noon and 2pm. For the 10am and 2pm sessions lunch would be provided between 12.30pm and 1.30pm (finishing by 2pm) in the Guildhall Club. For the noon meeting sandwiches would be available.'
  - f. 'If changes are not pushed by P&R they will not happen.'
  - g. 'The current system is a real disincentive for people who work. Meetings should be timed generally to last no more than 90 minutes and should be at the start or end of the working day.'
  - h. 'Specifically, do not wish to explore weekend meetings. We should look at video conferencing and telephone conferencing facilities though.'
  - i. '6.30pm 8.30pm, which means I decline all City Corporation receptions, MH dinners and resign as Liveryman and similar (remember, Liverymen attend

- Common Hall for Election of Sheriffs and Lord Mayor) and resign all school governor positions as school concerts, plays etc. are early evening.'
- j. '5.45pm to 7.15pm'.
- k. '3<sup>rd</sup> Preference: 4.30pm to 6pm'
- I. 'Members who do not chair, or serve on the various subs and working groups may not realise all these slots are already used for the work that goes on around the main committees. Whatever time is chosen will not suit some, and the status quo is the best solution, where it is not suitable it should be for the committees themselves to make changes to their timings.'
- m. 'I am relatively neutral.'
- n. '8am would be a better start time if possible. Hampstead Heath is currently 4pm 5.30pm which works okay. Perhaps 4.30pm 6pm would be good'.
- o. '12.00 13.30 with sandwiches served. 12.30 14.00 with sandwiches served.'
- p. 'Meetings should be held out of normal working hours to prevent barriers to participation and increase public attendance/scrutiny of committees.'
- q. 'Status Quo with ability to arrange meetings outside status quo if and when required as is case now.'
- r. 'Preference 1 10.30am to 12pm. It would have been good to include this option too for people who do the school run.
- 5. Whilst most Members (61%) are content with the current arrangements, the Committee is reminded that a committee can, if it so chooses, alter the time of its meetings depending on the time chosen. However, it is important to note that some changes could have wider resource implications. Some committees and subcommittees have already taken advantage of this such as the Planning and Transportation Committee and the Projects Sub-Committee both of which meet within 9am 5pm working day and the Property Investment Board which now meets at 8.30am.

#### **Potential Remuneration of Members**

- 6. To ascertain views on the payment of Members/financial assistance, Members were asked four questions:-
  - whether they believed that they should receive payment for their services:
  - whether they considered the Members' Financial Loss Allowance Scheme fit for purpose;
  - if not, would they prefer a more accessible scheme managed independently; and

- whether they would favour the provision of assistance for Members to cover the cost of an appropriate form of dress for City Corporation events.
- 7. This resulted as follows:-

#### Do you believe that Members should receive payment for their services?

YES	33
NO	63 (66%)

#### Accompanying comments:-

'I don't know'.

'Absolutely not.'

If yes, please give some indication of the type of arrangement that you think would be most appropriate. Note that members are already entitled to recover expenses, such as travel on Corporation business, properly incurred.

- a. 'A stipend of £10,000 for CC Members'.
- b. 'An allowance on a non-means tested voluntary arrangement.'
- c. 'A small basic allowance for all Members (say £2,500-£5,000). Special responsibility allowances for the Chief Commoner, Committee and major Sub Committee Chairmen and some Deputy Chairmen on a sliding scale, the Policy Chairman receiving the highest (say £75,000).'
- d. 'Basic allowances in hand with other London Boroughs and expenses claims. N.B. members are not currently allowed to claim travel expenses to and from Guildhall, which is where most meetings are' it should be noted that a similar comment was submitted by another Member.
- e. 'I favour a small basic allowance for all members, with <u>no</u> extra payments for particular office holders. General costs are, I think, lower for us than for representatives in more conventional local government. The allowance should be enough to mitigate hardships but not enough to be of itself an incentive to stand for City Office.'
- f. 'The most appropriate arrangement would be one similar to those recommended by London Councils. If this involved a reduction in 'perks' i.e. the Club that would be more than acceptable. If it resulted in a reduction in the number of members, so much the better...'
- g. 'It should be linked to works done committees attended etc., so as to avoid payments being given to Councilmen, of which there are some, who barely do anything.

- h. It should also be given to those who apply for it and fulfil a time/commitment requirement.'
- i. 'A small allowance for all chairmen only e.g. £8,000 (not sub committees).'
- j. 'Members should have the <u>option</u> of remuneration. The net cost of the Guildhall Club is currently £250K a year. Alongside this we have low income cc's taking on Saturday jobs to make ends meet. Compensating for meeting attendance is done sub repeat case work, door knocking etc. and is demeaning. £2.5k to £5k per member basic seems responsible and scrap the Guildhall Club.'
- k. The central issue is what sort of Councillors are we. If it's like any other, we should be paid like any other and there should be wholesale governance reform. If not, then not.'
- I. 'I do believe Chairman of Policy and Chairman of Transportation should become remunerated due to workload.'
- m. 'In line with other local authorities'.
- n. 'The terms of the expense system need to be clearly defined and communicated e.g. governors of city schools and Hampstead Heath Committee don't all know what they can claim.'
- o. 'But I do support that all cc should get legitimate travel expenses and possibly some others. This is so that they can attend meetings at no personal cost.'
- p. 'A simple percentage of 30% to 50% of basic allowance'.
- g. 'Attendance Allowance'.
- r. 'Use the City of Westminster model. Terminate the subsidies for the Guildhall Club and Accommodation. No change to committee lunches and dinners, as they have a business purpose'.
- s. 'Flat rate of £5,000, which members would be free to decline'.
- t. 'If it was introduced it should also cover Chair/Deputy Chair of Police.'
- u. 'Contribution to costs for members who cannot afford expensive outfits etc. Also for those members who cannot afford this put would for example want to be elected Policy Chairman this is covered along lines of other local authorities. Full time job.'
- v. 'Would favour an independent review'.
- w. 'Annual allowance. Expense cover.'

- x. 'Expenses only particularly travel.' Any extra remuneration should be balanced by either a reduction in ccc ???? or a charge for attendance at dinners etc. or both.'
- y. 'It should be opt-in.'
- z. 'I would oppose a full-blown payments scheme but would favour an enhanced expenses allowance, available to all without specific qualification requirements.'
- aa. 'I would suggest significant payment only for positions which require significant time out of work. For example, chairing significant committees. I would also back an allowance for members rather than the current expenses system funded in part from cutting Guildhall Club costs and services.'
- bb. 'Members should be remunerated just like councillors are with all other boroughs. In the year we are recognising 100 years since women got the vote it's astonishing we are still fighting for councillors to be paid in the City of London.'
- cc. 'Special responsibility and Basic Allowances.'
- dd. 'An optional fixed amount per year. Other councils allocate remuneration and we are too far behind, which clearly excludes poor people (mainly from ethnic backgrounds) to stand. Currently Tower Hamlets offer around £10k. My ward is mostly working class, benefits residential ward so I, for example, have to dedicate far more time than a councilman in a business ward.'

### Do you consider the Members' Financial Loss Allowance Scheme fit for purpose?

YES	30
NO	64 (68%)

#### **Accompanying comments:-**

- a. 'yes, if renewed and retitled.'
- b. 'Would favour an independent review of the scheme'.
- c. 'Yes, in terms of maximum level.'
- d. 'I tried to use it and it cost me money with accountants' fees'.
- e. 'Difficult if self-employed'.
- f. 'But no objection to it being reviewed.'
- g. 'But unnecessary if Members are remunerated according to the Westminster model'.

#### If not, would you prefer a more accessible scheme managed independently?

YES	50 (77%)
NO	15

#### **Accompanying comments:-**

- a. 'Possibly depends on scheme.'
- b. 'I would be happy with some changes i.e. only need to show "loss" or "cost" i.e. including childcare with no income ceiling.'
- c. 'If others raise sensible issues with the current scheme.'
- d. 'I'd prefer councillors were properly remunerated.'
- e. 'A fixed optional remuneration is the solution.'

# Would you favour the provision of assistance for Members to cover the cost of an appropriate form of dress for City Corporation events?

YES	55 (63%)
NO	32

#### Accompanying comments:-

- a. 'For new members only'.
- b. 'White tie yes, black tie or ladies equivalent no. Old Bailey's no.'
- c. 'I'd prefer councillors were paid so they could buy themselves.'
- d. 'No one should feel unable to attend City events because they do not have the appropriate attire. Therefore, case by case need should be available if a Member makes a request. This should be part of the Chief Commoners pastoral role Members should feel able to discuss issues such as this with the Chief. Perhaps the Chief should have a fund to assist when required.'
- e. 'Subject to means testing, formal dress to be loaned not given to member.'
- 8. A number of additional comments were also made the details of which are set out in Appendix A.

#### Conclusion

9. A number of activities have been undertaken in the last few years to enhance the diversity of the Court of Common Council. Whilst it remains an on-going issue and discussion is still taking place to ascertain what else can be done, the potential remuneration of Members and changes to the timing of committee meetings were identified as meriting further discussion and consultation with all Members of the Court. To this end, Members have been surveyed for their views, the results of which are set out in this report. Following the consultation process, your view is now sought on the way forward.

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#### **Additional Comments**

- 1. 'I have sympathy for new members who could be involved in a white tie occasion very soon after being elected. The cost of hiring an evening suit can be quite expensive and so consideration of some expenses claim would be appropriate for both male and female members'.
- 2. 'Travel expenses for those livings out of London should be the very least we receive. Many of us join CC when we are still working/living in London but on retirement move to the country. We stay on CC so why should I pay £25 rail ticket to attend committee meetings?'
- 3. 'By not paying members, we are in danger of being accused of running an elitist club for rich members. This is particularly the case with those members who chair the grand committees. They are effectively doing a full-time job and can obviously only afford to devote that time and energy to such positions if they do not need to earn a living in a normal way. There is therefore a democratic deficit at the heart of our governing body.
- 4. Additionally, many members join Common Council when they are still working or semi-retired and when they are still active in the City or inner London in other ways. On retirement, some of them elect to spend more time outside London but they continue to represent their wards. This can mean commuting in to attend committee meetings. Why should they spend £30 on a train ticket perhaps twice a week to attend meetings? Has anyone looked through the red book to see exactly how many members live outside London?
- 5. Then there is the cost of the 'school uniform'. Purchasing or hiring dinner suits, morning coats and white tie gear is not cheap for men, and women members also face significant costs in purchasing appropriate evening wear.
- 6. Those who oppose remuneration are, of course, free to turn down any payment that might be offered, or they could donate it to charity. By standing out against remuneration, they are enforcing clubby/old fashioned attitudes, as if to brand payment as something rather grubby. That is not the basis on which to build a level playing field.'
- 7. 'If a member is not truly able to afford an appropriate form of dress for City Corporation events, then the member should be allowed to wear an acceptable business dress or be supported financially upon request/discussion with, say, the Chief Commoner'.
- 8. 'The Members' Financial Loss Allowance Scheme should be scrapped entirely. Its only purpose is to allow some members to pretend there is some form of compensation for those who lose out by serving in the Court.

- 9. Understandably, the systems of the Court have developed over time to serve the needs of its members. Those members, however, have almost uniformly been retired, wealthy and white.
- 10. Should the Corporation have any real desire to see more gender, ethnic, class and wealth balance on the Court, instituting true remuneration for members is not merely an option; it is an imperative.
- 11. The diversity of the City should be represented on the Court by a truly representative group of individuals. So long as the role is unremunerated those who live in Golden Lane, Mansell Street and Middlesex Street will be underrepresented.
- 12. This is not sustainable in the 21<sup>st</sup> century.'
- 13. 'As it is a requirement of the City to dress in white/black tie appropriate provision should be made to cover costs (if these items are bought after having been elected).'
- 14. 'Dress for City events can be obtained at very low cost from an online site such as Clermont Direct'.
- 15. 'I don't think we need members at a lot of the events. We seem to be an awkward addition anyway. Though perhaps we should be looking to modernise our events? This a bit of a demeaning proposal. We should be empowering workers and residents to represent their workplaces and committees regardless of their means not giving them pocket money'.
- 16. 'Paid Councillors, fewer 100 to 50, no Aldermen, directly elected Mayor, fewer committees, regular meeting times.'
- 17. 'Covering dress allowance would be a PR disaster and should be resisted at all costs. It could be considered in hardship cases only.'
- 18. 'Members Financial Loss Scheme is not fit for purpose. Review is needed to bring it up to date, no necessarily independent management. It's just times have changed and needs to be reflected.'
- 19. 'Paying members who need an allowance to make ends meet could be funded by drastic cuts to the Guildhall Club, abolition of lunch meetings and an enormous (if not total) reduction in banquets.'
- 20. 'If paying allowances to councillors means a reduction in the number of councillors then so be it. If paying councillors means charging for food in the Guildhall Club then so be it. The City of London is on the wrong side of wishing and we need to

- extend the opportunity to all to serve their community. Timing and payment is clearly a barrier to participation for many people. This has to change.'
- 21. 'As per point 5 & 6, where it states a total sum of £1,337,875 would be required, this simply is not true if you make it optional so the individuals who do require the remuneration can take it.
  - Point 2. Speaks about losing "uniqueness", which is nonsense. The City is and has been (as in Point 3) "not a local authority, rather it is an institution with local authority functions."

The financial loss scheme is too bureaucratic and quite embarrassing to ask for. I never asked for financial loss although I was entitled too it.

Let's not forget that it is easy to be shunned for a poor member if they wish to apply.'

# **Consultation on the Possible Introduction of Payment for Members**

•	Do١	you believe	that Me	mbers s	should	receive	payme	ent for	their	services

YES	
NO	

•	If yes, please give some indication of the type of arrangement that you think
	would be most appropriate. Note that members are already entitled to recover
	expenses, such as travel on Corporation business, properly incurred.


 Do you consider the Members' Financial Loss Allowance Scheme fit for purpose?

YES	
NO	

A link to the scheme is set out below:-

 $\frac{https://www.cityoflondon.gov.uk/about-the-city/how-we-make-decisions/Documents/members-financial-loss-scheme.pdf}{}$ 

•	If not, would v	you prefer a more	accessible scheme	managed independently?
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YES	
NO	

 Would you favour the provision of assistance for Members to cover the cost of an appropriate form of dress for City Corporation events?

YES	
NO	

Note: If you wish to provide any additional comment please do so on a separate sheet

# **Appendix C**

# **Consultation on the Timing of Committee Meetings**

It is important to note that, depending on the time chosen, a committee can, if it so chooses, alter the time of its meetings. Notwithstanding this, please give an indication of your preferred choice of meeting times as set out below. Please also note that Option C represents the status quo:-

Options	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	5 <sup>th</sup>
-	preference	preference	preference	preference	preference
A 8.30am – 10.00am					
B 9am – 10.30am					
C 11.30am – 1pm or 1.45pm – 3.00pm (Status Quo)					
D 12.45pm – 2.15pm					
E 3.30pm – 5pm					
F 5pm – 6.30pm					
G 6.30pm – 8pm					

Alternative suggestions:-		