

# PREM19

# 91

LOCAL  
GOVERNMENT  
(Remuneration of local  
councillors)

Confidential Filing

Robinson Report on Councillors' Remuneration

LOCAL

GOVERNMENT

JULY 1979

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
<del>23.2.79</del>							
<del>30.7.79</del>							
<del>12.10.79</del>							
<del>19.10.79</del>							
<del>6.11.79</del>							
19.11.79							

PREM 19/91





PRIME MINISTER

cc. Mr. Ingham  
Mr. Pattison

Local Govt  
Pattison

Councillors' Remuneration

Today's story in the Star, which was causing concern at the Media meeting, is completely wrong. It seems to be based on a false reading of the Robinson Report on Councillors' Remuneration, and the assumption - again false - that the Robinson Report has been accepted by Government.

The Star story says that councillors will get -

- (i) A salary of £20 a week;
- (ii) Attendance allowances of £12.14;
- (iii) Subsistence expenses of up to £9.30;
- (iv) The right to claim financial loss allowance of up to £10.75;
- (v) Special responsibility payments.

According to the Star, this would mean £4,000 a year, plus expenses, for the top men in the biggest local authorities.

What Ministers<sup>\*</sup> have decided is rather different. They rejected the £20 a week salary proposed by Robinson, and have decided upon the following allowances:

- (i) The attendance allowance will be increased from £12.14 a day to £13.28;
- (ii) The arrangements for subsistence allowances will be changed so that in future councillors can claim these allowances for duties performed within three miles of their homes;
- (iii) Special responsibility allowances up to a maximum of £1,500 (though the Secretary of State for Scotland is still considering what the figure should be for Scotland);
- (iv) A new maximum of £14 for financial loss allowance - up from £12.40 at present.

These new rates will be announced when the Local Government, Planning and Land Bill is published, probably next week.

\* H Committee

12.

19 November 1979

CF  
To note



VLD  
cc: DOE  
Local  
Govt

10 DOWNING STREET

THE PRIME MINISTER

6 November 1979

pps in CR

Dear Sir

Thank you for writing to me on 24 October with a firm statement of your views on councillors' allowances.

I understand the strength of your feelings, and I would find it difficult to quarrel with the parallels you draw.

I hope you will understand why this is not the moment for major increases in allowances, nor for significant changes in central government controls on those allowances.

Yours sincerely  
Margaret Thatcher

Sir Horace Cutler, O.B.E.

DB



Local  
Gov.

10 DOWNING STREET

PRIME MINISTER

Minutes of H discussion  
covering both

Councillors' remuneration  
and Government of  
Scotland - (on which  
there is a separate  
minute from the  
Home Secretary below.)

The Councillors' allowances  
package was agreed,  
subject to a partial  
reservation from Mr Younger  
which he is expected to lift.

MAP 19/15.

PRIME MINISTER

In July, you encouraged the Home Secretary to delay action on local councillors' remuneration - papers at Flag A.

In the event H Committee asked for more modest proposals later in the year. These are contained in the document below.

Are you content to await the outcome of discussion in H Committee this time round? There is something of a time gap since the problems over MPs pay, and action will have to be taken sooner or later.

*MAD*

Yes - increases

12 October 1979

costing £4.2m will

spoke to P Harrop.

na

*MAD* 15/x

go on if announced  
at the time when new

rel'd demands are being fixed  
etc.



Local Govt.

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10 DOWNING STREET

From the Private Secretary

30 July 1979

The Prime Minister has seen the Home Secretary's minute of 27 July reporting the discussion in H Committee on the remuneration of local councillors.

She has noted the view taken in the Committee of the proposals in H(79)40, and she is content that the Committee should consider in the autumn proposals which will be developed by the Minister for Local Government.

I am sending copies of this letter to the Private Secretaries to members of H Committee, to the Minister for Local Government and Environmental Services and to Martin Vile (Cabinet Office).

MAP

J.A. Chilcot, Esq.,  
Home Office.

As



PRIME MINISTER

1.

The Home Secretary knows of your reservations about the proposals. Action is now deferred until the autumn, when a different approach will be considered. Content?

PRIME MINISTER

COUNCILLORS' REMUNERATION

You are familiar, I know, with the proposals for the remuneration of local councillors (H(79)40) which we discussed at H Committee on 25 July.

MMA  
27/1/79

The Committee felt strongly that it would be unwise to proceed with them. We should be accused of meanness by the local authorities, who criticised as inadequate even the more generous proposals of the Robinson Committee at the earnings levels of 2½ years ago. The new proposals would leave some councillors worse off than at present. On the other hand, we would attract a lot of criticism from the general public, increasing expenditure on councillors' remuneration, at a time of serious cuts in public expenditure, and in particular for paying an annual allowance which would be regarded as a salary.

The Minister for Local Government suggested an alternative approach. We should accept our predecessors' commitment to raise the attendance allowance to £13.28 in December, and, in addition, we should legislate to authorise special responsibility payments to no more than eight members carrying the heaviest burdens in each council. We invited him to develop these ideas in a further paper to be considered by the Committee in the autumn. Meanwhile, there will be no consultation with the local authority associations.

I am copying this minute to members of H Committee and the Minister for Local Government and Environmental Services, and to Sir John Hunt.

WS/W

his out

27 July 1979



27 JUL 1979

Local Government

PM's views passed by phone  
to J Chilcot (Home Office)  
O Edmonds (Environment) and  
P. Harrop (Cabinet Office)

PRIME MINISTER

MAD 24/vii

This paper contains Mr. Heseltine's proposals on councillors' remuneration. The last Administration did not exactly hurry to respond to the Robinson Report.

It may be argued that action is already overdue. And Mr. Heseltine's proposals are relatively modest, with an estimated cost of £3 million per annum above the cost of the present system. But the proposals would involve a significant change from an attendance allowance on a daily basis to a standard annual payment, with a lower attendance <sup>allowance</sup> added subject to more rigorous conditions.

Mr. Heseltine wants to announce proposals to legislate, and to follow with quick consultations.

I wonder whether this is really an opportune time to be seen to be improving the terms of service of councillors. Of course timing will never be perfect, but you have yourself observed that the M.P.s' pay award was hardly appropriate at a time of cutbacks. Do you want me to pass any thoughts on this to the Home Secretary or to Mr. Heseltine before it is taken in H?

MAD

Please let Home Secretary know

23 July 1979

that I feel we should not rush  
this decision through. I don't like it very much  
in any event but coming on top of M.P.'s pay &  
£500-M.P.'s allowances. It is just too much

END

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