

EXPLANATORY MEMORANDUM TO
THE GREATER LONDON AUTHORITY (LIMITATION OF
SALARIES)(AMENDMENT) ORDER 2008

2008 No. 724

1. This explanatory memorandum has been prepared by the Department for Communities and Local Government and is laid before Parliament by Command of Her Majesty.

2. Description

2.1 The salary payable to the Mayor of London or an Assembly member of the Greater London Authority is abated if a salary is also payable to that person by virtue of membership of either House of Parliament or of the European Parliament. The Greater London Authority (Limitation of Salaries) (Amendment) Order 2008 (“the 2008 Order”) increases the abatement from one third to two thirds of the salary in relation to a term of office (as the Mayor or an Assembly member) which begins on or after 1st May 2008.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None

4. Legislative Background

4.1 Section 24 of the Greater London Authority Act 1999 (c. 29) provides for the Greater London Authority to pay salaries to the Mayor of London and members of the London Assembly. The Greater London Authority (Limitation of Salaries) Order 2000 (S.I. 2000/1032) provides for the reduction of the salary otherwise payable to the Mayor or an Assembly member under section 24, if a salary is also payable to that person pursuant to a resolution of either House of Parliament relating to the remuneration of members of that House or under section 1 of the European Parliament (Pay and Pensions) Act 1979 (c. 50) (remuneration of MEPs). The 2008 Order increases the amount of the reduction (to two thirds) in relation to any term of office (as the Mayor or an Assembly member) which begins on or after 1st May 2008. The amount of the reduction is unchanged (at one third) in relation to any such term of office which begins before 1st May 2008.

5. Territorial Extent and Application

5.1 This instrument extends to England and Wales and Scotland but applies in relation to the Greater London Authority only.

6. European Convention on Human Rights

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

7.1 Section 25 of the Greater London Authority Act 1999 enables the Secretary of State to make provision through an order to reduce (to a specified proportion or amount or by a specified amount) the salary payable to the Mayor or an Assembly member if that person also receives remuneration for being a member of either House of Parliament, a member of the European Parliament, or another specified public body. Similar powers also apply to the salaries of members of the Scottish Parliament, the National Assembly for Wales, and the Northern Ireland Assembly.

7.2 The provisions made under section 25 by the Greater London Authority (Limitation of Salaries) Order 2000, regarding the one third salary reductions, came into force when the Greater London Authority came into being in May 2000.

7.3 In July 2006, the *Greater London Authority–The Government’s final proposal for additional powers and responsibilities for the Mayor and Assembly–a policy statement*¹ proposed (in paragraph 3.14.6) a number of minor amendments to the running of the Greater London Authority to address anomalies and make the Authority more efficient, including: “Abating the salary of Mayor or Assembly member who is also a Westminster MP or MEP by two thirds. Salaries in these circumstances are currently abated by a third.”

7.4 This proposal reflected a recommendation from the Review Body on Senior Salaries which reviewed the salaries and allowances of the Mayor and Assembly in 2002² and 2005³. Both reports recommended that salary abatement should increase to two thirds of salary, subject to the necessary amending legislation, on the grounds that:

- The Mayor and Assembly members are deemed to be full time posts, therefore any dual mandates should not continue beyond the short term; and
- It would put the Mayor and Assembly members on the same footing as members of the devolved administrations in Scotland and Wales where orders have been made to abate salaries by two thirds.

7.5 This Order, which implements this proposal, will apply to any Mayor of London or Assembly member elected after the next elections for the Greater London Authority on 1 May 2008. Current members of the Authority will not be affected.

7.6 A consultation with interested parties potentially affected by the Order has been undertaken. Consultees included the Mayor of London, the London Assembly and London MPs and MEPs. The consultation ran for twelve weeks, ending on 10 March 2008. There was one response to the consultation: a joint letter on behalf of the GLA Chief Executive, the Mayor of London and the London Assembly. The response supported the changes proposed in the Order.

8. Impact

¹ CLG 13 July 2006 - <http://www.communities.gov.uk/publications/citiesandregions/greaterlondon5>

² Review Body on Senior Salaries May 2002 - <http://www.ome.uk.com/downloads/GLA.pdf>

³ Review Body on Senior Salaries July 2005 - <http://www.ome.uk.com/downloads/Senior%20Salaries%20No%2061.pdf>

8.1 An Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.

8.2 The impact on the public sector will be negligible as the order only affects the Greater London Authority. There may be a small saving in expenditure on salaries, depending on how many of the successful GLA candidates have other relevant Parliamentary salaries.

9. Contact

Mike Weiler at the Government Office for London Tel: 020 7217 3188 or e-mail: michael.weiler@gol.gsi.gov.uk can answer any queries regarding the instrument.