

**Decision Maker:** GENERAL PURPOSES AND LICENSING COMMITTEE

**Date:** 10<sup>th</sup> February 2015

**Decision Type:** Non-Urgent Non-Executive Non-Key

**Title:** MEMBERS' ALLOWANCES SCHEME 2015/16

**Contact Officer:** Graham Walton, Democratic Services Manager  
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**Chief Officer:** Mark Bowen, Director of Corporate Services

**Ward:** N/A

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1. Reason for report

- 1.1 The regulations governing Members' Allowances require that, before the beginning of each financial year, the Council shall make a scheme of allowances for that year and this report details the proposed allowances for 2015/16. The allowances have remained frozen since 2009 due to the economic circumstances and the pressure on the Council's budgets, but Members have the option to increase the allowances – for example this could be in line with the increase recommended for management grade Council staff. The Mayoral and Deputy Mayoral Allowances are not part of the scheme, but are usually considered in conjunction with it.

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2. **RECOMMENDATION(S)**

**General Purposes and Licensing Committee are recommended to agree that the Members' Allowances Scheme 2015/16 and the Mayoral and Deputy Mayoral allowances for 2015/16 be submitted to Council for approval, and to consider whether to retain allowances at the current level or authorise an increase.**

## Corporate Policy

1. Policy Status: Existing Policy: The proposed scheme for 2015/16 is based on the existing scheme for 2014/15.
  2. BBB Priority: Excellent Council:
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## Financial

1. Cost of proposal: Estimated Cost:
  2. Ongoing costs: Recurring Cost:
  3. Budget head/performance centre: Democratic Representation – Members' Allowances  
Mayoral & Civic Hospitality – Mayoral Allowance
  4. Total current budget for this head: Members Allowances - £1,112,560  
Mayoral Allowance - £22,310 (includes on-costs)  
(As per 2014/15 budget)
  5. Source of funding: 2015/16 Revenue budget
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## Staff

1. Number of staff (current and additional): N/A
  2. If from existing staff resources, number of staff hours: N/A
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## Legal

1. Legal Requirement: Statutory Requirement: Sections 18 and 19 of the Local Government and Housing Act 1989, Section 100, Local Government Act 2000, The Local Authorities (Members' Allowances) (England) Regulations 2003
  2. Call-in: Not Applicable: Making and varying the Members' Allowances Scheme is reserved to full Council and is not an executive decision.
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## Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All 60 members of the Council
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## Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: N/A

### 3. COMMENTARY

- 3.1 Every local authority is required to have a basic, flat rate allowance which is payable to all Members. The basic allowance recognises the time commitment of Councillors, including meetings with Council managers and constituents and attendance at political group meetings. It is also intended to cover incidental costs such as the use of Councillors' homes. It must be the same for each Councillor and may be paid either as a lump sum or in instalments through the year. Bromley has always paid allowances by monthly instalment.
- 3.2 The regulations governing Members' allowances require that, before the beginning of each financial year, the Council shall make a scheme of allowances for that year. Following a detailed review in 2008 Members' allowances were scrutinised by a specially formed Member working party which reported through to the Council. As a result certain allowances were upgraded to reflect current Member duties.
- 3.3 The regulations also provide that before the Council makes or amends a scheme it shall have regard to the recommendations made by an independent remuneration panel report. This requirement does not apply if the only change is the application of an annual indexation increase. London Councils set up an Independent Panel chaired by Sir Rodney Brooke which meets every four years and last reported in June 2014, and this should be taken into account in determining the level of allowances each year. The Panel recommends an amount for the basic allowance for Councillors in London, and suggests amounts in five bands for positions of additional responsibility. Although Bromley's basic allowance is currently very slightly above the level suggested by the Independent Panel in 2014 (which was £10,703pa), Bromley's special responsibility allowances are in general substantially below the levels recommended by the Panel. A summary of the Panel's recommendations is set out in **Appendix 1**.
- 3.4 **Appendix 2** shows the scheme and the proposed allowances for 2015/16 in schedule 1, based on the allowances remaining at the same levels. The Mayoral and Deputy Mayoral allowance is not part of the Member's Allowances scheme, but it can also be approved by Council and this is included in the budget for 2015/16. If approved by Council, the Mayoral Allowance would remain at £15,698 and the Deputy Mayoral Allowance at £2,093.

### 4 FINANCIAL IMPLICATIONS

- 4.1 Provision has been made for the allowances in the draft revenue budget for 2015/16 to be approved by Council of £1,041,810 (including inflation of £22,250) for the Members' Allowances Scheme and £22,750 (including £440 inflation) for the Mayoral and Deputy Mayoral allowances. The budget for 2015/16 has reduced as a result of the Government decision to withdraw Members access to the pension scheme.

### 5 LEGAL IMPLICATIONS

- 5.1 The statutory provisions relating to Members' allowances are contained in The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 2003/1021).

<b>Non-Applicable Sections:</b>	Policy/Personnel
Background Documents: (Access via Contact Officer)	Report from the Independent Panel on Remuneration of Councillors in London (2014) - <a href="http://www.londoncouncils.gov.uk/London%20Councils/Remunerationreport2014.pdf">http://www.londoncouncils.gov.uk/London%20Councils/Remunerationreport2014.pdf</a> Report to General Purposes and Licensing Committee, 4 <sup>th</sup> February 2014 – Members' Allowances Scheme 2014/15

**London Councils Remuneration Panel Report - Summary**

<b>London Councils Band</b>	<b>Example posts</b>	<b>London Councils Panel Recommendation</b>	<b>LBB Equivalent (2014/15)</b>
<b>Basic Allowance</b>	-	£10,703	£10,872
<b>Band 1</b>	Executive Assistant Sub-Cttee Chairman Leader of 2 <sup>nd</sup> Minority Group Members of Sub-Committees meeting frequently – EG Plans/Licensing/Adoption	£2,392 - £8,941	£3,573 £1,971/£2,772 £3,673 £335/£669
<b>Band 2</b>	Civic Mayor Chairman of Regulatory Cttee Chairman of Scrutiny Panel Leader of principal Opposition Group	£15,876 - £28,581	£15,698 £9,179 £7,140 £7,577
<b>Band 3</b>	Portfolio Holder Chairman of Health & Wellbeing Board Chairman of main Overview and Scrutiny Committee	£35,128 - £41,675	£20,400 £9,176 £7,140
<b>Band 4</b>	Leader	£54,769	£30,600
<b>Band 5</b>	Directly elected Mayor	£81,839	-

## London Borough of Bromley

### Members' Allowances Scheme

From 1<sup>st</sup> April 2015, in exercise of the powers conferred by the Local Authorities (Members Allowances) (England) Regulations 2003 (2003 No. 1021) [as amended by SI 2003 No. 1692], the London Borough of Bromley will operate the following Members' Allowances Scheme.

1. This Scheme is known as the London Borough of Bromley Members' Allowances Scheme and will operate from 1<sup>st</sup> April 2015 until amended.
2. In this Scheme:
  - “Councillor” means a member of the London Borough of Bromley who is an elected Member;
  - “Member” for the purposes of this Scheme shall mean elected Councillors;
  - “year” means the 12 months ending 31<sup>st</sup> March.
3. The Council in agreeing this Scheme has considered the recommendations of the Independent Panel commissioned by the Association of London Government on the remuneration of Councillors in London entitled “The Remuneration of Councillors in London 2014” published June 2014.

#### Basic Allowance

4. A basic annual allowance of £10,872.02 shall be paid to each Councillor.

#### Special Responsibility Allowances

5. (1) An annual Special Responsibility Allowance will be paid to those Members who hold special responsibilities. The special responsibilities are specified in Schedule 1 (attached).
- (2) During periods after an election when any position of special responsibility is unfilled, the relevant Special Responsibility Allowance shall be payable to the new holder of the position from the day after the previous holder ceases to be responsible.
- (3) The amount of each Special Responsibility Allowance is specified against that special responsibility in Schedule 1. The conditions set out in paragraphs 5(2), 5(4) and 14 apply.
- (4) Where a Member holds more than one position of special responsibility then only one Special Responsibility Allowance will be paid. Subject to sub-paragraph (5), Members may be paid quasi-judicial allowances in addition to a Special Responsibility Allowance.
- (5) All Members of the Plans Sub-Committees, Adoption Panel and Licensing Sub-Committee will be paid a quasi-judicial allowance at an annual rate £669.99 per annum. Where a Member has membership of only one Plans Sub-Committee, the allowance will be set at half that amount, £335.

#### Childcare and Dependent Carers Allowance

6. The Council has agreed that no allowance will be paid for childcare or dependent carers.

### **Co-optees Allowance**

7. The Council has agreed that no allowance will be paid for co-optees.

### **Pensions**

8. All Councillors under the age of 75 are entitled to apply for membership of the Local Government Pension Scheme. Both Basic Allowance and Special Responsibility Allowance, including quasi-judicial allowances, will be treated as amounts in respect of which pensions are payable.

### **Travel and Subsistence Allowance**

9. The Basic Allowance covers all intra-Borough travel costs and subsistence. All other necessarily incurred travel and subsistence expenses for approved duties as set out in the Regulations (Regulation 8(a) to (h)) will be reimbursed under the same rules and entitlement as applies to staff. Travel by bicycle will also be paid at the same rates as applies to staff. Claims for reimbursement are to be made within one month of when the costs were incurred.

### **Ability to Decline an Allowance**

10. A Member may, by writing to the Director of Corporate Services, decide not to accept any part of his entitlement to an allowance under this Scheme.

### **Withholding of Allowances**

11. The Standards Committee may withhold all or part of any allowances due to a Member who has been suspended or partially suspended from his/her responsibilities or duties as a Member of the Authority. Any travelling or subsistence allowance payable to him/her for responsibilities or duties from which they are suspended or partially suspended may also be withheld.
12. Where the payment of an allowance has already been made in respect of a period in which a Member has been suspended or partially suspended, the Council may require the allowance that relates to that period of suspension to be repaid.

### **Members of more than one Authority**

13. Where a Member is also a member of another authority, that Member may not receive allowances from more than one authority for the same duties.

### **Part-year Entitlements**

14. If during the course of a year:
  - (a) there are any changes in the Basic and/or Special Responsibility Allowances,
  - (b) a new Member is elected,
  - (c) any Member ceases to be a Member,
  - (d) any Member accepts or relinquishes a post in respect of which a Special Responsibility Allowance is payable, or
  - (e) the Standards Committee resolves to withhold any allowances during the suspension of a Member,

the allowance payable in respect of the relevant periods shall be adjusted pro rata to the number of days.

### **Payments**

15. Payments shall so far as is reasonably practicable normally be made for Basic and Special Responsibility Allowances in instalments of one-twelfth of the amount specified in this Scheme.

### **Inflation Increase**

16. The allowances set out in this Scheme may be increased annually by the same percentage increase as the market movement change for management grade officers under the Council's scheme, such increase to take effect from the start of the financial year. This inflation index will apply until further notice unless the Scheme is revised after consideration of any new Independent Panel report. Where the only change to the Scheme in any year is that affected by such an annual adjustment in accordance with this index, the new uprated allowance rates will apply without further consideration by an Independent Panel.

### **Notification Fee to Information Commissioner**

17. The Council shall reimburse, or pay on their behalf, the annual fee payable by all Councillors to the Information Commissioner.

## Schedule 1

### Allowances for the year ending 31st March 2016

	£
<b>Basic Allowance</b>	10,872.02
<b>Posts of Special Responsibility Allowance</b>	
Leader of the Council	30,600.00
Portfolio Holders (x6)	20,400.00
Executive Members without Portfolio	3,573.22
Executive Assistants (x5)	3,573.22
Chairman of Health and Wellbeing Board	9,179.61
Chairman of Portfolio PDS Committees (x6)	7,140.00
Chairman of Development Control Committee	9,179.61
Vice-Chairman of Development Control Committee	1,971.47
Chairman of Plans Sub-Committees (x4)	2,772.35
Chairman of General Purposes and Licensing Committee	9,179.61
Vice-Chairman of General Purposes and Licensing Committee	1,971.47
Chairman of Audit Sub-Committee	1,971.47
Chairman of Pensions Investment Sub-Committee	1,971.47
Leader of largest Opposition Party	7,577.78
Leader of second largest Opposition Party	3,673.53
<b>Quasi-Judicial Allowances</b>	
Members of one Plans Sub-Committee	335.00
Members of two Plans Sub-Committees	669.99
Members of Adoption Panel	669.99
Members of Fostering Panel	669.99
Members of Licensing Sub-Committee	669.99