

Decision Maker: GENERAL PURPOSES AND LICENSING COMMITTEE

Date: 6th February 2018

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

Title: MEMBERS ALLOWANCES SCHEME 2018/19

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

Ward: N/A

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 2018/19. The allowances have remained frozen since 2009 due to the economic circumstances and the pressure on the Council's budgets, and this is what is set out in the proposed scheme at Appendix 2. However, Members have the option to increase the allowances – for example this could be in line with the 2% increase likely to be recommended for Council staff. The Mayoral and Deputy Mayoral Allowances are not part of the scheme, but are usually considered in conjunction with it.

2. **RECOMMENDATIONS**

- (1) **The Committee is requested to consider the proposed Members Allowances Scheme 2018/19 and in particular to consider whether to retain allowances at the current level or recommend an increase.**
- (2) **The Committee is recommended to agree that the Members' Allowances Scheme 2018/19 (appendix 2) and the Mayoral and Deputy Mayoral allowances for 2018/19 (paragraph 3.6) be submitted to Council for approval.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
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Corporate Policy

1. Policy Status: Existing Policy: The proposed scheme for 2018/19 is based on the existing scheme for 2017/18.
 2. BBB Priority: Excellent Council:
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Financial

1. Cost of proposal: Estimated Cost: £1.068m
 2. Ongoing costs: Recurring Cost: £1.068m
 3. Budget head/performance centre: Democratic Representation – Members Allowances
(Plus Mayoral and Civic Hospitality – Mayoral Allowance)
 4. Total current budget for this head: £1.068m
 5. Source of funding: Existing revenue budget for 2018/19
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Personnel

1. Number of staff (current and additional): Not Applicable
 2. If from existing staff resources, number of staff hours: Not Applicable
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Legal

1. Legal Requirement: Statutory Requirement: The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 2003/1021)
 2. Call-in: Not Applicable: This report does not involve an executive decision.
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Procurement

1. Summary of Procurement Implications: Not Applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All 60 Councillors receive at least the basic allowance.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

3. COMMENTARY

- 3.1 Every local authority is required to have a basic, flat rate allowance payable to all Members. This 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 and general expenses such as the use of Councillors' homes and equipment. 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. In addition, allowances can be paid to reflect particular posts (Special Responsibility Allowances) or membership of particular committees that meet frequently to determine applications (referred to as Quasi-Judicial Allowances).
- 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. The scheme has remained largely unchanged since then, until in 2016 a Member Working Group suggested some minor changes within the existing budget which were implemented for the 2016/17 Scheme, including rounding the allowances up or down as appropriate to the nearest £5.
- 3.3 The proposed scheme for 2018/19 is largely unchanged from 2017/18, with all allowances proposed to be frozen for a further year. One minor change is that the formation of a joint Fostering and Adoption Panel is recognised.
- 3.4 One issue of concern in recent years is the level of allowance payable to Members serving on Licensing Sub-Committees in view of the reduced level of meetings. The allowance was reduced for 2017/18 from £670 to £335, in line with members of one Plans Sub-Committee, a saving of £5,025. In 2017/18, to the end of January 2018, the Licensing Sub-Committee will have met on 7 occasions, meaning that the average attendance for each Member of General Purposes and Licensing Committee is less than two meetings (with three months of the year to go). Options for the Committee to consider are (i) to leave the allowance at £335pa; (ii) to reduce the allowance; or (iii) to move to a system of claiming for each meeting. However, claiming by meeting will result in a small increase administration and costs.
- 3.5 The regulations provide that before the Council makes or amends a scheme it shall have regard to the recommendations made by an independent remuneration panel report, although 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 CBE DL which meets every four years and has just reported in January 2018, 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 one of the highest in London it is now slightly below the level suggested by the Independent Panel in 2018 (which is £11,045pa). 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**.
- 3.6 **Appendix 2** shows the scheme and the proposed allowances for 2018/19 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 2018/19. If approved by Council, the Mayoral Allowance would remain at £15,698 and the Deputy Mayoral Allowance at £3,575.

4. FINANCIAL IMPLICATIONS

- 4.1 Provision has been made for the allowances in the draft revenue budget for 2018/19 to be approved by Council of £1.045m for the Members' Allowances Scheme and £23k for the Mayoral and Deputy Mayoral allowances.

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).

Non-Applicable Sections:	Impact on Vulnerable Adults and Children/Policy/Personnel/Procurement
Background Documents: (Access via Contact Officer)	Report from the Independent Panel on Remuneration of Councillors in London (2018) – Remuneration of Councillors in London Boroughs 2018 - London Councils Report to General Purposes and Licensing Committee, 6 th February 2017 – Members' Allowances Scheme 2017/18

London Councils Remuneration Panel Report 2018 - Summary

London Councils Band	Example posts	2018 London Councils Panel Recommendation	Current LBB Equivalent (2017/18)
Basic Allowance	All Members	£11,045	£10,870
Band 1	Executive Assistant Sub-Cttee Chairman Leader of 2 nd Minority Group Members of Sub-Committees meeting frequently – EG Plans/Licensing/Adoption	£2,582 - £9,397	£3,575 £1,970 £3,570 £335/£670
Band 2	Civic Mayor Chairman of Regulatory Cttee Chairman of Scrutiny Panel Leader of principal Opposition Group	£16,207 - £29,797	£15,698 £8,670 £7,140 £7,140
Band 3	Portfolio Holder Chairman of Health & Wellbeing Board Chairman of main Overview and Scrutiny Committee	£36,917 - £43,460	£20,400 £8,670 £8,670
Band 4	Leader	£57,085	£30,600
Band 5	Directly Elected Mayor	£85,162	-

(Updated following GP&L Committee on 6th February 2018)

London Borough of Bromley

Members' Allowances Scheme

From 1st April 2018, 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 1st April 2018 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 31st March.
3. The Council in agreeing this Scheme has considered the recommendations of the Independent Panel commissioned by London Councils on the remuneration of Councillors in London entitled "The Remuneration of Councillors in London 2018" published January 2018.

Basic Allowance

4. A basic annual allowance of £10,870 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 Licensing Sub-Committee, Plans Sub-Committees and the Fostering and Adoption Panel shall be paid a quasi-judicial allowance at the rates set out in Schedule 1.

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.

Travel and Subsistence Allowance

8. 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

9. 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

10. 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.
11. 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

12. 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

13. 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

14. Payments shall so far as is reasonably practicable normally be made for Basic, Special Responsibility and Quasi-Judicial Allowances in instalments of one-twelfth of the amount specified in this Scheme, unless specified otherwise in Schedule 1.

Inflation Increase

15. 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 updated allowance rates will apply without further consideration by an Independent Panel.

Notification Fee to Information Commissioner

16. 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 2019

	£
Basic Allowance	10,870.00
Special Responsibility Allowances	
Leader of the Council	30,600.00
Portfolio Holders (x6)	20,400.00
Executive Members without Portfolio	3,575.00
Executive Assistants (x5)	3,575.00
Chairman of Health and Wellbeing Board	8,670.00
Chairman of main PDS Committee	8,670.00
Chairman of Portfolio PDS Committees (x5)	7,140.00
Chairman of Development Control Committee	8,670.00
Vice-Chairman of Development Control Committee	1,970.00
Chairman of Plans Sub-Committees (x4)	2,770.00
Chairman of General Purposes and Licensing Committee	8,670.00
Vice-Chairman of General Purposes and Licensing Committee	1,970.00
Chairman of Audit Sub-Committee	1,970.00
Chairman of Pensions Investment Sub-Committee	1,970.00
Leader of largest Opposition Party	7,140.00
Leader of second largest Opposition Party	3,570.00
Quasi-Judicial Allowances	
Members of one Plans Sub-Committee	335.00
Members of two Plans Sub-Committees	670.00
Members of Licensing Sub-Committee	50.00 (Per meeting*)
Members of Fostering and Adoption Panel	200.00 (Per meeting**)

* Payable at the end of each year

** Payable every six months, up to an annual limit of £3,575