

Decision Maker: GENERAL PURPOSES AND LICENSING COMMITTEE

Date: Tuesday 11 February 2020

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

Title: MEMBERS ALLOWANCES SCHEME 2020/21

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

Ward: All

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 2020/21. Until last year, when an increase of 2.25% was agreed, allowances had remained frozen since 2009 due to the economic circumstances and the pressure on the Council's budgets.
- 1.2 If Members are minded to increase the allowances a reasonable guide would be the 2.5% increase recommended for 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. **RECOMMENDATIONS**

- (1) **The Committee is requested to consider the proposed Members Allowances Scheme 2020/21 and the Mayoral and Deputy Mayoral Allowances and in particular to consider whether to recommend that allowances are retained at the current level or are raised from 1st April 2020 in line with the proposed increase in officer salaries of 2.5%.**
- (2) **The Committee is recommended to agree that the Members' Allowances Scheme 2020/21 (appendix 2) and the Mayoral and Deputy Mayoral allowances for 2020/21 (paragraph 3.4) 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:
 2. BBB Priority: Excellent Council:
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Financial

1. Cost of proposal: Estimated Cost: £1,090k
 2. Ongoing costs: Recurring Cost: £1,090k
 3. Budget head/performance centre: Democratic Representation – Members Allowances
Mayoral & Civic Hospitality – Mayoral Allowance
 4. Total current budget for this head: £1,066k for Members Allowances, & £24k for Mayoral Allowance
 5. Source of funding: Revenue Budget
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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? No
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, and is required to review its allowance scheme before the beginning of the financial year. 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 and general expenses such as the use of Councillors' homes and equipment. It must be the same for all Councillors in the authority and may be paid either as a lump sum or in instalments throughout 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). The quasi-judicial allowances are now paid as a set amount per meeting attended, rather than as a fixed amount per annum.
- 3.2 Following a detailed review in 2008, Members' Allowances were scrutinised by a specially formed Member working group 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. Between 2009 and 2019 Members consistently refused to increase their allowances, until an increase of 2.25% was agreed last year, in accordance with the increase for officer salaries. The proposed scheme for 2020/21 is unchanged from 2019/20 in terms of the type of allowances to be paid
- 3.3 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 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 only very slightly above 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**.
- 3.4 **Appendix 2** shows the scheme and the proposed allowances for 2020/21 in schedule 1, based on the allowances either remaining at the same levels, or increasing by 2.5%, the pay increase recommended for Council staff. 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 2020/21. If a 2.5% increase is approved by Council, the Mayoral Allowance would increase from £16,051 to £16,452 and the Deputy Mayoral Allowance from £3,655 to £3,746.

4. FINANCIAL IMPLICATIONS

- 4.1 Provision has been made for the allowances in the draft revenue budget for 2020/21 to be approved by Council of £1.083m for the Members' Allowances Scheme and £24k 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)	<p>Report from the Independent Panel on Remuneration of Councillors in London (2018) –</p> <p><u>Remuneration of Councillors in London Boroughs 2018 - London Councils</u></p> <p>Report to General Purposes and Licensing Committee, 12th February 2019 – Members’ Allowances Scheme 2019/20</p>

London Councils Remuneration Panel Report 2018 - Summary

London Councils Band	Example posts	2018 London Councils Panel Recommendation	Current (2019/20) LBB Equivalent
Basic Allowance	All Members	£11,045	£11,115
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	£3,655 £2,014 £3,650 £52 per meeting for Plans Sub-Cttee or Licensing Sub-Cttee £205 per meeting for Fostering & Adoption Panel
Band 2	Civic Mayor Chairman of Regulatory Cttee Chairman of Scrutiny Panel Leader of principal Opposition Group	£16,207 - £29,797	£16,051 £8,865 £7,300 £7,300
Band 3	Portfolio Holder Chairman of Health & Wellbeing Board Chairman of main Overview and Scrutiny Committee	£36,917 - £43,460	£20,959 £8,865 £8,865
Band 4	Leader	£57,085	£31,288
Band 5	Directly Elected Mayor	£85,162	-

London Borough of Bromley

Members' Allowances Scheme

From 1st April 2020, 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 2020 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 the Association of London Government 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 £11,115/£11,393 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-opted members

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 and Special Responsibility Allowances in instalments of one-twelfth of the amount specified in this Scheme.

Schedule 1

Allowances for the year ending 31st March 2021

	Current £	With 2.5% increase £
Basic Allowance	11,115	11,393
Special Responsibility Allowances		
Leader of the Council	31,288	32,070
Portfolio Holders (x6)	20,859	21,380
Executive Members without Portfolio	3,655	3,746
Executive Assistants (x6)	3,655	3,746
Chairman of Health and Wellbeing Board	8,865	9,087
Chairman of main PDS Committee	8,865	9,087
Chairman of Portfolio PDS Committees (x5)	7,300	7,483
Chairman of Development Control Committee	8,865	9,087
Vice-Chairman of Development Control Committee	2,014	2,064
Chairman of Plans Sub-Committees (x4)	2,832	£2,903
Chairman of General Purposes and Licensing Committee	8,865	9,087
Vice-Chairman of General Purposes and Licensing Committee	2,014	2,064
Chairman of Audit Sub-Committee	2,014	2,064
Chairman of Pensions Investment Sub-Committee	2,014	2,064
Leader of largest Opposition Party	7,300	7,483
Leader of second largest Opposition Party	3,650	3,741
Quasi-Judicial Allowances		
Members of Plans Sub-Committee (per meeting)	52	53
Members of Licensing Sub-Committee (per meeting)	52	53
Members of Fostering and Adoption Panel (per meeting)*	205	210

* Payable up to an annual maximum limit of £3,575/£3,664 per Councillor