Report No. CSD24002

# **London Borough of Bromley**

#### PART ONF - PUBLIC

Decision Maker: GENERAL PURPOSES AND LICENSING COMMITTEE

Date: Tuesday 6 February 2024

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

Title: MEMBERS ALLOWANCES SCHEME 2024/25

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Chief Officer: Tasnim Shawkat, Director of Corporate Services and Governance

Ward: All

#### 1. Reason for decision/report and options

- 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 2024/25.
- 1.2 If Members are minded to increase the allowances a reasonable guide would be the increase recommended for Council staff, which, subject to Member confirmation, is expected to be 3%.
- 1.3 The Mayoral and Deputy Mayoral Allowances are not part of the Members Allowances Scheme, but are usually considered in conjunction with it. The Scheme has to be agreed by full Council this will be at the budget meeting on 26<sup>th</sup> February 2023.

## 2. **RECOMMENDATIONS**

- (1) The Committee is requested to consider the proposed Members Allowances Scheme 2024/25 (appendix 2) and the Mayoral and Deputy Mayoral Allowances (paragraph 3.6) and in particular to consider whether to recommend that allowances are retained at the current level or are raised from 1<sup>st</sup> April 2024.
- (2) The Committee is recommended to agree that the Members' Allowances Scheme 2024/25 and the Mayoral and Deputy Mayoral allowances for 2024/25 be submitted to Council for approval.

#### Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable

#### Transformation Policy

- 1. Policy Status: Existing Policy
- 2. Making Bromley Even Better Priority:
  - (5) To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.

#### Financial

- 1. Cost of proposal: (2023/24) £1,183k + £27k
- 2. Ongoing costs: Recurring Cost
- 3. Budget head/performance centre: Democratic Representation Members Allowances Mayoral & Civic Hospitality Mayoral Allowances
- 4. Total current budget for this head: £1,183k + £27k
- 5. Source of funding: Revenue Budget

#### Personnel

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

#### Legal

- 1. Legal Requirement: Statutory Requirement: (See section 5 below)
- 2. Call-in: Not Applicable: This report does not involve an executive decision

#### **Procurement**

1. Summary of Procurement Implications: Not Applicable

## **Property**

1. Summary of Property Implications: Not Applicable

#### Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications: Not Applicable

#### Impact on the Local Economy

1. Summary of Local Economy Implications: Not Applicable

#### Impact on Health and Wellbeing

1. Summary of Health and Wellbeing Implications: Not Applicable

#### Customer Impact

1. Estimated number of users or customers (current and projected): Not Applicable

#### 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, and is required to review its allowance scheme before the beginning of each financial year. The basic allowance recognises the time commitment of Councillors, including meetings with Council officers and constituents and attendance at political group meetings, and 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 For nearly a decade allowances remained frozen at 2009 levels until small increases were agreed in 2019 and 2020, in line with the increases to officer salaries. There were no increases in 2021 and 2022, but a 7.75% increase in 2023, again, in line with the percentage increase in officer salaries.
- 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 which meets every four years; its last regular report was published in early 2022.
- 3.4 However, the Panel has recently published an additional, more detailed review recommending more substantial increases in member allowances in London. This report uses wider research and benchmarking across not just London but the whole of the UK to consider how the role of Members and the scope of their duties has changed and developed in recent years. The Panel's research showed that the basic allowance was considerably higher in Wales, Scotland and Northern Ireland, and also in some of the other large cities in England such as Birmingham and Manchester. Indeed, the basic allowance in all Scottish Councils is £20,099. The Panel recommends that the basic allowance in London should now be £15,960.
- 3.5 The Panel makes recommendations for special responsibility allowances based on five bands. A summary of the Panel's 2023 recommendations, with comparisons to equivalent Bromley roles, is set out in Appendix 1.
- 3.6 The Mayoral Allowances are not part of the Members allowances Scheme and serve a different purpose to the allowances in the main scheme since they are intended to help the Mayor and Deputy Mayor to perform their civic and ceremonial duties. However, Bromley has always reviewed these allowances alongside the main scheme, and made similar recommendations. The current allowances are £16,452 and £4,036 respectively.
- 3.7 Members may consider that the allowances should not be increased in 2024/25, given the financial challenges facing the Council. However, a reasonable approach used in previous years would be to increase the allowances by 3%, which is the proposed increase for officer salaries. The effect of a 3% increase is shown in the schedule to the draft 2024/25 scheme attached as Appendix 2 to this report (with figures rounded up or down as appropriate.)

#### 4 FINANCIAL IMPLICATIONS

4.1 The 2023/24 budget for Members Allowances is £1,183k and £27k for Mayoral Allowances. Increasing these figures by the 3% being recommended for members of staff will increase these

budgets to £1,219k and £28k – an additional £37k. Provision has been made for the allowances in the draft revenue budget for 2024/25 to be approved by Council.

## 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 Headings:	Impact on Vulnerable Adults and Children/Policy/		
	Personnel/Procurement/Property/Carbon Reduction/Local		
	Economy/Customers/Ward Councillors		
Background Documents:	Report from the Independent Panel on Remuneration of		
(Access via Contact Officer)	Councillors in London (2022)		
	Report from the Independent Panel on Remuneration of		
	Councillors in London (2023)		
	Report to General Purposes and Licensing Committee, 16		
	February 2023 – Members' Allowances Scheme 2023/24		

# **London Councils Remuneration Panel Report 2022 - Summary**

London Councils Band	2023 London Councils Panel Recommendation	Current (2023/24) LBB Equivalent Roles
Basic Allowance		
(All Members)	£15,960	£12,280
Band 1		
Leader of 2 <sup>nd</sup> Minority Group Executive Assistant Sub-Cttee Chairman Cttee Vice-Chairman Members of Sub-Committees meeting frequently – e.g. Plans/Licensing	£3,105 – £9,314	£5,030 £4,040 £3,130 £2,150 £57 per meeting
Band 2 Civic Mayor Leader of largest Opposition Group Chairman of Regulatory Cttee Chairman of Scrutiny Panel	£15,523 - £31,046	£16,452 £15,000 £9,800 £8,250
Band 3 Deputy Leader Portfolio Holder Chairman of Health & Wellbeing Board Chairman of main Scrutiny Committee	£37,255 - £46,569	£28,000 £23,040 £9,800 £9,800
Band 4 Leader	£62,092	£43,100
Band 5 Directly Elected Mayor	£93,575	N/A

## **Appendix 2**

#### 38. Members' Allowances Scheme 2024/25

From 1<sup>st</sup> April 2024, 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 2024 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 2023."

#### **Basic Allowance**

4. A basic annual allowance of £12,648 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.
  - (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, Appeals Sub-Committee and the Foster 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 and Governance, decide not to accept any part of his or her 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 2025

	2023/24 Level	+3%
Basic Allowance	£12,280	£12,648
Special Responsibility Allowances		
Leader of the Council	£43,100	£44,393
Deputy Leader of the Council	£28,000	£28,840
Other Portfolio Holders (x6)	£23,040	£23,731
Executive Assistants (x6)	£4,040	£4,161
Chairman of Health and Wellbeing Board	£9,800	£10,094
Chairman of main PDS Cttee	£9,800	£10,094
Chairman of Portfolio PDS Cttees (x5)	£8,250	£8,498
Vice-Chairman of PDS Committees (x6)	£2,150	£2,215
Chairman of Development Control Cttee	£9,800	£10,094
Vice-Chairman of Development Control Cttee	£2,150	£2,215
Chairman of Plans Sub-Cttees (x4)	£3,130	£3,224
Chairman of General Purposes and Licensing Cttee	£9,800	£10,094
Vice-Chairman of General Purposes & Licensing Cttee	£2,150	£2,215
Chairman of Audit and Risk Management Cttee	£8,250	£8,498
Vice-Chairman of Audit and Risk Management Cttee	£2,150	£2,215
Chairman of Pensions Cttee	£8,250	£8,498
Vice Chairman of Pensions Cttee	£2,150	£2,215
Leader of largest Opposition Party	£15,000	£15,450
Leader of second largest Opposition Party	£5,030	£5,181
Quasi-Judicial Allowances		
Members of Plans Sub-Cttee (per meeting)	£57	£59
Members of Licensing Sub-Cttee (per meeting)	£57	£59
Members of Appeals Sub-Cttee (per meeting)	£57	£59
Members of Foster Panel (per meeting)*	£226	£233

<sup>\*</sup> Payable up to an annual maximum limit of £3,664 per Councillor (+ 3% = £3,774)